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## Plunge of Yen Raises Fears of New Shock for South Korea

**Flood of Cheaper Exports Could Be Used by Japan To Revive Economy, Seoul Says**

By Don Kirk  
*International Herald Tribune*

**SEOUL** — The steady depreciation of the yen raised fears here Tuesday that Japan was intent on salvaging its sinking economy by increasing exports with a cheaper currency, undermining South Korea's major industries in the process.

"The impact of depreciation is enormous for us," said Kim Chang Roh, director of export policy at the Ministry of Commerce, Industry and Energy. He predicted that South Korean exports would fall by \$1.9 billion this year if the won remains at its current level.

"The Japanese government is now seeking to boost the Japanese economy through increasing exports," said Ohn Ki Un, senior research fellow

**Clinton confident Kim can lead recovery.** Page 6. • China's central bank warns that yen has severe impact on trade. Page 13.

at the Korean Institute of Industrial Economics and Trade, a government research organization. "A sharp decrease in the Japanese yen will kill Korean industry."

Mr. Ohn's remarks reflected what appeared to be a common view among South Korean officials and executives after the dollar rose Monday above the 140 yen barrier, pushing the yen to a seven-year low. The dollar remained above 140 yen Tuesday, and analysts here predicted it would rise to 150 yen by the end of the summer and 170 yen by late autumn.

Virtually all South Korean industries compete directly against the Japanese in a kind of David-versus-Goliath rivalry in which South Korea, a Japanese colony for 35 years until the end of World War II, has successfully challenged Japan in countries around the world, particularly in North America, Europe and Southeast Asia.

Now South Koreans see the hard-won gains of the past decades of competition with the Japanese evaporating with every move downward of the Japanese yen.

"The export of motor vehicles falls 1.6 percent when the yen depreciates by 1 percent," said Mr. Kim of the Ministry of Commerce. "Japanese car companies are much bigger and compete directly with Korean companies."

Like many other South Koreans, Mr. Kim perceived mysterious forces at work in Japan to undermine South Korean industry. "I can guess that is happening, but I cannot prove it," he said. "I do not have the evidence."

He said, however, that "the depreciation of the Japanese yen is caused by the weakening of the

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## Yeltsin-Kohl Agreement

**2 Vow to Cooperate on Economy and Kosovo**

By Alan Cowell  
*New York Times Service*

**BONN** — After a day of talks, President Boris Yeltsin of Russia and Chancellor Helmut Kohl of Germany traded vows of support on Tuesday regarding Russia's economic crisis and the bloodshed in Serbia's Kosovo Province.

While German officials seem increasingly inclined toward charting a military option in Kosovo to deal with Serbian attacks against rebellious ethnic Albanians, Mr. Yeltsin affirmed Russia's opposition to a NATO deployment.

Such action, he said, could "destabilize the situation in the Balkans, with unforeseeable consequences for all of Europe."

Instead, Russian officials said, Mr.

Yeltsin offered to meet personally with the Serbian leader, Slobodan Milosevic, to try to curtail the bloodshed there without resorting to military force.

"The more delicately we proceed, the greater are our chances for a settlement of the conflict," Mr. Yeltsin said. It was not clear when the encounter would take place.

NATO defense ministers are to meet in Brussels on Wednesday to discuss the fighting in Kosovo, which has caused deep concern here about a likelihood of waves of refugees flooding Western Europe.

Germany admitted hundreds of thousands of refugees during and after the Bosnian war and makes no secret of its aversion towards providing shelter for more Balkan fugitives.

Volker Ruesthe, the German defense minister, said Tuesday that it was crucial for the NATO ministers to examine military plans to augment economic and political pressures on Mr. Milosevic.

For his part, Chancellor Kohl told a joint news conference with Mr. Yeltsin that Germany — Russia's biggest trade partner and creditor — would offer "decisive support" for Moscow as it seeks to contain a spiraling economic crisis and pursue economic reform.

"These measures contribute signif-



President Yeltsin getting some help Tuesday from Chancellor Kohl to adjust an earphone during a news conference after their discussions.

icantly to increasing the confidence of foreign investors," the German chancellor said.

Both German and Russian officials ruled out any further injection of German money, saying Mr. Kohl's backing for Moscow's reform measure was

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## Canceled Visit Sets Back Koreas' Ties

By Nicholas D. Kristof  
*New York Times Service*

**TOKYO** — North Korea called off a planned visit by Japanese-born women to Japan on Tuesday, in a sign of steadily worsening relations between the two countries.

North Korea's announcement, along with a series of denunciations of the "Japanese reactionaries" and their "despicable smear campaign" against the Communist government in the North, apparently marked a suspension of a program begun last November to allow 1,800 Japanese-born women living in North Korea to return to their homeland for visits. Most of the women

married ethnic Korean men in Japan and moved with their husbands to North Korea in the 1960s, then disappeared from sight.

More broadly, the announcement seemed to mark at least a temporary setback in the process of building ties between North Korea and its neighbors to coax it out of its isolation.

Japan is crucial to any effort to draw North Korea into the international economy, and the plan to allow the Japanese-born women to visit Japan had been regarded as a major step in building trust between the two countries. But Japanese officials said that they did not know precisely what to make of the announcement.

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The Dollar		
New York	Tuesday 8:4 P.M.	previous close
DM	1.78	1.7785
Yen	140.28	140.67
FF	5.9685	5.9685
Pound	1.8365	1.634
Dollars per pound		
The Dow		
Tuesday close	percent change	
19.58	9,049.92	-0.22%
S&P 500		
↑ 3.78	1,119.50	+0.34%

Newsstand Prices		
Andorra	10.00 FF	Lebanon LL 3,000
Antilles	12.50 FF	Morocco 16 Dh
Cameroun	1,800 CFA	Qatar 10.00 QR
Egypt	£1.50	Reunion 12.50 FF
France	10.00 FF	Saudi Arabia 10 SR
Gabon	1,100 CFA	Senegal 1,100 CFA
Italy	2,800 Lira	Spain 225 Pta
Ivory Coast	1,250 CFA	Turkia 1,250 Din
Jordan	1,250 JD	U.A.E. 10.00 Dh
Kuwait	700 Fils	U.S. Mil. (Eur) \$1.20



## World Cup Scores One for French Discretion

**Instead of Boosterism, Grace and Measure**

By John Vincour  
*International Herald Tribune*

**PARIS** — At the edge of the Luxembourg Gardens, where the French Senate's Medicis palace and the Theatre de l'Odéon meet the acres of oaks and pink plantings at the end of the Rue de Condé, there is a newspaper kiosk.

At about 12:30 Monday afternoon, the woman who runs it was eating an apple. A regular customer, asking for *l'Équipe*, the national sports newspaper, was told it was sold out. Special edition? he asked. Why? she said.

"Because of the World Cup."

"Ah, out," the woman said. In all the sunshine, with her apple, surrounded by so much Art, Beauty and Power, it took a second or two to make the connection with the mundane.

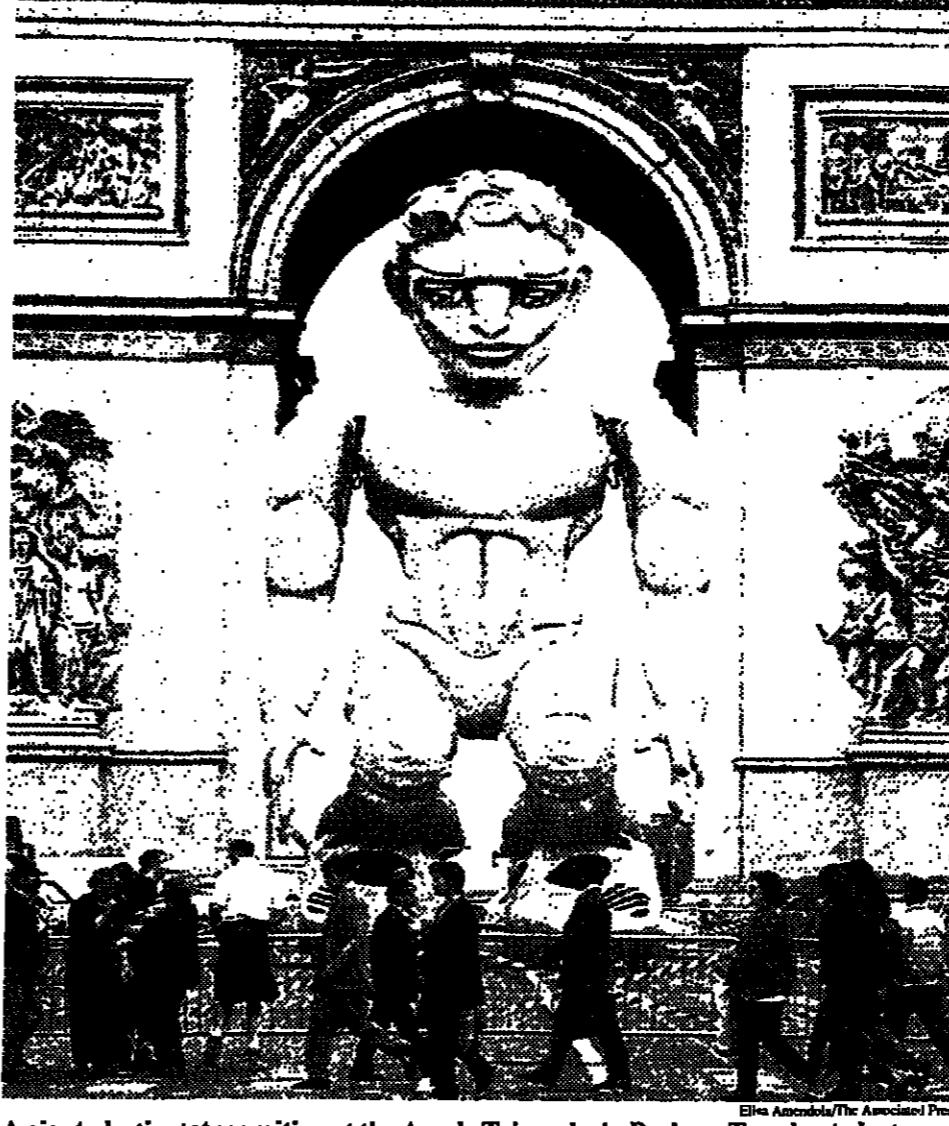
As if an instinctive rejection of boosterism were a failing, some have found room for mild reproach in the nonhysteria that surrounds the coming of the World Cup to France on Wednesday. No flags on the Senate and, across the street, no pick-the-top-goal-scoring pools in the *Café de l'Odéon*, where James Baldwin once hung out. In a country that invented the word chauvinism, the absence of sports tyranny, of having to love it, gives the French version of the great soccer competition a framework of grace and measure that may put off the outsider who craves enforced exuberance.

Michel Platini, the French soccer legend who is president of the organizing committee with its 2.4 billion franc (\$400 million) budget, explained the mentality this way:

"Don't count on me to go into your neighborhood to organize dancing in the streets. Not everybody feels involved. The Ministry of Culture, for example, couldn't give a damn. We've got no relations with them. So, it's true, in many places nothing is planned. In others, a lot of money has been invested."

The fact is, although billions will watch the

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A giant plastic statue waiting at the Arc de Triomphe in Paris on Tuesday to be towed in the parade that opened the World Cup soccer tournament. Play starts Wednesday.

Elie Asselmann/The Associated Press

## At Paris's Kickoff Fete, Flags, Kilts and Giants

By Anne Swardson  
*Washington Post Service*

**PARIS** — Four 20-meter-high giants glided down the boulevards of Paris on Tuesday night as the city kicked off a huge street parade in celebration of the World Cup soccer tournament beginning Wednesday.

Flag-waving Brazilians in yellow team shirts and Scots in kilts mingled happily along the Champs-Elysées, sharing beer and taking photos of each other, in preparation for the opening match Wednesday between the two countries at the new 80,000-seat, \$500 million Stade de France in the northern suburbs.

The locals, meanwhile, marked the occasion in typical national style. Air France pilots remained on strike for a ninth day Tuesday. Drivers of armored trucks went on strike, rais-

ing fears that bank branches would run out of cash and close. Bus drivers in Bordeaux and train conductors on southern lines from Paris geared up for strike this week.

"We hope that because of the World Cup the stakes will be raised," one striking armored van driver said on French television. "It's sad, but that's the way it is."

Of a dozen knots of Brazilian and Scottish fans along the Champs-Elysées, none reported any trouble getting to France.

"We'll swim the Channel to get here," one Scot said.

When France won the World Cup in 1986, the plan was to make the soccer tournament a party, and a party it is. The 32 participating countries are celebrated in special exhibitions in the Metro and on 32 grand boulevards, where, among other events, 32 phone booths

have been refitted to represent the nations playing.

The Louvre has an exhibit of sporting art in ancient Greece, and the Three Tenors will sing under the Eiffel Tower on July 10. Robot soccer players will compete at the science museum. France's latest fashion, the Internet, is on display at computers at all 10 game sites around France.

Paris has been preparing for the parade of the giants, each of the four male figures representing a different corner of the earth, for two years. In the last week, 20,000 barriers were placed along the parade routes, bus shelters were removed from curbsides, and trees were trimmed to make sure they were not brushed by the shoulders of the 38-metric-ton giants.

See FETE, Page 20

## Russian Statistics Chief Charged With Corruption

By David Hoffman  
*Washington Post Service*

**MOSCOW** — In an unusual corruption case, the chief of Russia's national statistics agency, which provides policymakers with information about the economy, has been accused of fixing data to help companies avoid taxes and of selling confidential information about businesses to their competitors, officials announced Tuesday.

Yuri Yurkov, head of the State Statistics Committee, known as Goskomstat, was taken into custody Monday evening, along with several deputies. The authorities said that they had found more than \$1 million in cash in a search of Mr. Yurkov's apartment and that he was the head of an organized ring distorting records and selling information from the agency.

If the charges are true, it could mean that key data about Russian industries and tax collection have been skewed.

In theory, the distortions could affect a whole range of assumptions about such things as car imports, personal income and the health of key sectors of the economy. But some experts said the precision of Goskomstat's reports was already in doubt.

The case comes at a time of continuing fragility and uncertainty in the Russian financial markets, which have been hit in recent weeks with a wave of investor flight and panic. This week, the markets have been waiting for the outcome of talks in Paris on a possible international financial package to support Russia. Also, a closely watched weekly auction of government securities is set for Wednesday.

There were fresh signs of concern Tuesday as Standard & Poor's Corp. downgraded long-term Russian credit, following similar actions by other credit agencies.

In Washington, Stanley Fischer, first deputy managing director of the International Monetary Fund, said the Fund was in "exploratory" talks with Russia about a new financial package but "at the moment the market has stabilized, and we don't see the need."

Financial markets have been watching for a signal that an international aid package is imminent, given Russia's low reserves and its growing burden of short-term debt.

Even before the detention of its chief, Goskomstat's reports were controversial.

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## AGENDA

### Air France Pilots Refuse to Suspend Strike

**PARIS (Reuters)** — Striking Air France pilots rejected a plea from one of their smaller unions, SPAC, on Tuesday to suspend their protest and allow the airline to fly for the World Cup, but they said they were prepared to resume talks.

"It is out of the question to end the strike, so the idea of a moratorium is

senseless," said Christian Paris, a spokesman for the main pilots union, SNPL. But after a meeting of about 1,100 pilots, another union official said. "We are ready to negotiate at any time."

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## Kickbacks and Bribes for Abacha and Aides / Billions in Revenue Involved

## Nigerian Oil Corruption Began at the Top

By James Rupert  
Washington Post Service

**A** BIDIAN, Ivory Coast — In nearly five years in power in Nigeria, General Sani Abacha built a reputation for authoritarian, sometimes brutal rule. He was less known for overseeing a web of corruption that Nigerian and oil industry sources say plundered billions of dollars from his country.

General Abacha died Monday at age 54. While he ruled Nigeria from a fortified presidential villa in the capital, Abuja, the sources said that he and a circle of aides and business partners tapped virtually every stage of the oil business. It is Nigeria's most important industry and the source of 80 percent of its government revenue.

According to the sources, they took kickbacks from foreign companies for licenses to search for oil in the basin and delta of the Niger River and offshore. They also got bribes from construction companies that won contracts to build drilling rigs and pipelines.

And, in a business that generated a daily river of cash, General Abacha and several associates supervised every sale of Nigerian crude by the state-owned oil company, the sources said, slicing off an unknown percentage of the \$10 billion a year that the country earns on average in oil sales.

In recent years, General Abacha, his allies and top officials added a new form of corruption that is killing the economy — the siphoning of money used by Nigeria's oil refineries to turn crude into gasoline. The sources said, slushing off a percentage of the \$10 billion a year that the country earns on average in oil sales.

Under General Abacha, corruption took Nigeria further into economic collapse than ever before. Besides the collapse of the fuel distribution system, the telephone network is decaying and the electricity grid is failing. Almost no part of Lagos gets electricity all day and vast tracts of the city of 8 million never get power at all.

Analysts estimate the unemployment rate to be at least 25 percent. Millions of Nigerians survive on ingenuity and doggedness as street vendors, curbside fix-it men, prostitutes and subsistence farmers.

Nigerians and international economists say that General Abacha appears to have hidden his wealth well. Nigerian journalists who have investigated corruption say he appears to have had particular business interests in the Gulf region, Brazil and Asia.

Much of the oil that Nigeria pumps each day goes to the major international oil companies — Shell, Mobil, Chevron and others — that operate the oil fields. But the largest single share goes to Nigeria's state oil company, which, under the direction of General Abacha's camp, sells its oil to independent traders.

According to official announcements of oil sales and reporting by the London-based oil newsletter Energy Compass, Nigeria's main trading partners in the Abacha era have been Britain-based companies and a Swiss-based one.

General Abacha's predecessor, General Ibrahim Babangida, "doled out the contracts" to a wide circle of supporters, allowing them to take commissions from oil traders, said Patrick Smith, editor of the newsletter Africa Confidential, based in London.



James L. Gordon / The Standard

graft to key supporters. "Abacha has increasingly monopolized the trade himself," said John Bearman, an oil industry analyst based in London. "There is no deal that does not go through the presidential villa."

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The former trader, a European, said he participated in three oil purchases in recent years — technically from Nigeria's state oil company but negotiated with Abacha aides at the presidential villa. Each contract specified a "commission" to be paid to a specific beneficiary, he said.

He declined to name the beneficiaries on the contracts he had helped negotiate. He said other traders had noted that sometimes the beneficiary was a well-known Nigerian and at other times "it's a completely unknown person" who traders say was a front for someone else. He said the contracts he dealt with ordered that the commissions be paid to bank accounts in Singapore, Bermuda and Switzerland.

**K**ICKBACKS PAID by traders are so high that they "can't make a profit selling the oil on the spot market," said Mr. Bearman, the analyst in London. Instead, he said, "they make their money by buying huge quantities of crude, using it to manipulate the futures market."

The trade in refined products is even more corrupt, sources said. "The government is deliberately keeping our own refineries shut down and starving our economy for fuel," said a Nigerian oil industry analyst in Lagos who spoke on condition he not be identified.

Nigerian journalists, who often are jailed for reporting on corruption, are careful about what they publish. A trade journal, Nigeria's Oil and Economic Review, said it has been unable to publish any stories on corruption in recent years.

Since the growth of the country's oil industry in the 1970s, military rulers have controlled the trade. But whereas earlier rulers doled out the

When the Gulf War in 1991 drove oil prices upward, Nigeria earned a windfall that never made it to government coffers. Soon after he took power in 1993, General Abacha named a commission headed by a Nigerian economist, Pius Okigbo, to investigate. Mr. Okigbo reported that \$12.2 billion in oil earnings had disappeared between 1990 and 1994, but no one was ever prosecuted.

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General Sani Abacha arriving in Freetown, Sierra Leone, during a March visit. The ruler of Nigeria, who died Monday, is accused of being at the head of a vast web of corruption involving the oil industry in his country.

Gas Monthly, noted that the had government announced plans to spend \$600 million to import refined fuels between January and September.

"Less than half of that amount would have breathed life into two of the four Nigerian refineries, it said.

"The fear as always, is that those who perennially benefit" from the refineries' poor state, the journal said, "will do and pay everything to ensure that the status quo remains."

**U**NLIKE MOBUTU Sese Seko, the Zairian强人 who flaunted palaces and villas he owned throughout Europe and elsewhere before his death last August, General Abacha revealed no foreign assets. But in Abuja, Nigerian journalists and business sources said the Abacha family is known to own numerous businesses and properties.

General Abacha's oldest son, Ibrahim, was the family's main business manager until he was killed in a plane crash in 1996, the sources said. They added that an example of the privileges accorded General Abacha and his business partners is the story of Delta Prospectors Ltd., a company that Ibrahim Abacha helped set up. Delta mines barite, a mineral that is a source of barium and an essential material for oil production.

This spring, shortly after Delta announced that its operations had reached full production, the government banned the import of barite, making the Abacha-owned company the monopoly provider for the huge Nigerian oil industry.

Nigerian journalists and business sources in Abuja and the northern city of Kano said the Abacha family keeps palatial private residences in both. The family's home in Kano is concealed behind fences and armed guards and "is truly opulent and spectacular," said a source who visited it a few years ago.

**Iraqis Can Again Dial International Calls**

Agency France-Press

**BAGHDAD** — Iraqis can make direct international telephone calls for the first time since the 1991 Gulf War, the telecommunications department said Tuesday.

The telephone network was badly damaged in the war. Iraqis have since had to go through an operator, and international calls have been limited to three minutes.

Baghdad is negotiating with the French company Alcatel for renovation of the network, which Alcatel installed in the 1980s.

The network has not been fully restored because of a lack of spare parts in Iraq, which is under UN economic sanctions.

But \$150 million has been set aside for telecommunications and transportation under an accord with the United Nations that allows limited oil sales.

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"They came to attack in the morning, three times, regrouping and attacking," said a Foreign Ministry spokesman, Yemane Kidane. He said the Eritreans had suffered heavy casualties.

The northeast African nations are engaged in a battle over their border.

Eritrea is resisting attempts by its smaller, northern neighbor to control territory it says is wrongly held by Ethiopia.

With hostilities between the two countries escalating, the U.S. government prepared Tuesday to evacuate 120 more of its citizens, along with Germans, Egyptians and some Ethiopians.

Eritrea called Monday for direct talks in the presence of high-level mediators "to ensure a speedy resolution of the crisis."

A spokesman for President Isaias Afewerki of Eritrea said Ethiopia had effectively declared war on Eritrea and was using the threat of renewed air strikes to discourage trade by air and sea.

Eritrea says its forces are within internationally recognized borders drawn by Italy in the late 19th century. Eritrea, an Italian colony from 1885 to 1941, was annexed in 1962 by Ethiopia, against which it later fought a 30-year war for independence.

In Addis Ababa, Prime Minister Meles Zenawi accused the Eritreans of

stalling to consolidate their positions

inside Ethiopia.

"If that's the case — and it appears to be the case — then the opportunities for resolving this problem peacefully could be fast disappearing," he said.

Mr. Isaias said pride was an obstacle to resolving the conflict. The Eritrean People's Liberation Front, led by Mr. Isaias, and Mr. Meles's Tigre People's Liberation Front were allies in ending 17 years of military rule in Ethiopia in 1991.

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Both Ending  
And Ending  
Hurt Blame  
For New

## THE AMERICAS

# In Summit Run-Up, U.S.-Based Chinese Are Harassed on Home Visits

By Philip Shonan  
*New York Times Service*

TOLEDO, Ohio — Ciping Huang was always known among her neighbors in the Chinese city of Hefei as a dutiful daughter. And in the 13 years since she arrived in the United States, initially to study science at the University of Toledo, she returned home as often as she could.

There had never been a problem with the police during her five earlier trips to China.

But during a long-planned vacation home this April, Ms. Huang was allowed almost no time with her parents. Instead, the 36-year-old engineer found herself locked in a police interrogation room for days, with plainclothed officers threatening to jail her — and even hinting that she could face execution — unless she detailed her ties to dissidents in the United States.

"They said I had done things damaging to Chinese national security and had broken the security laws, which can carry the death penalty," Ms. Huang said. "They said they could arrest me."

## Cohen to Fight The Senate on Separate-Sex Basic Training

By Dana Priest  
*Washington Post Service*

WASHINGTON — Defense Secretary William Cohen and other defense officials will try to dissuade members of Congress from separating women and men in basic training, a provision that has passed the House and will be debated soon in the Senate.

Instead, Mr. Cohen said Monday, he supports the position of the army, the navy and the air force that men and women should go through basic training together, and he ordered the services to ensure the sexes were sufficiently separated in the barracks.

He also endorsed the Marine Corps position that it continue training men and women separately.

Gender-integrated training was scrutinized after the sexual harassment and rape cases at Aberdeen Proving Ground in Maryland, an advanced training center where drill instructors had sexual relationships with trainees. Mr. Cohen appointed former Senator Nancy Kassebaum Baker, Republican of Kansas, to commission to study the issue.

The Kassebaum Baker panel recommended separating male and female troops at the squad and platoon level. The panel also revealed that drill instructors, worried about allegations of sexual harassment between troops, had begun to prohibit men and women from speaking to one another or touching in any way.

The services strenuously objected to Mrs. Kassebaum Baker's recommendations and insisted that they be permitted to "train the way they fight." Mr. Cohen on Monday backed their views.

The police deported her on April 19, allowing her 20 minutes to say a final good-bye to her parents. Now, back in Ohio, where she lives with her American husband, Ms. Huang said she is certain why she was threatened by her government.

"It has a lot to do with Clinton," said Ms. Huang, deputy chairman of the Independent Federation of Chinese Students and Scholars, which represents thousands of Chinese living in the United States. "They want to have a good image during Clinton's trip to China. They want to give the world a good impression of China. So they don't want any protests anywhere, in China or America."

Human rights groups and organizations representing students and other Chinese citizens living in the United States say they have received reports of at least a dozen incidents in recent weeks in which Chinese visiting their homeland have been taken into custody, interrogated or threatened by the police.

The harassment, they say, is clearly related to President Bill Clinton's trip to China this month. They say Beijing is trying to send a message to Chinese living in the United States

that they must not organize protests in the United States against Mr. Clinton's visit, the first by a U.S. president since the 1989 crackdown on democracy demonstrators in Tiananmen Square.

Mike Jendrzejczyk, Washington director of Human Rights Watch Asia, said, "This may be a way of intimidating activists both in the U.S. and in China who might try to speak out about the president's visit — and a way of closing down channels of communications in the democracy movement."

Human rights groups say they have no way of determining the exact number of these incidents in China; most of the victims, they say, are afraid to report what happened to them after their return to the United States, for fear that publicity could bring retaliation against their families.

"I know this has happened to several people, but they don't want to talk about it openly because of their families," said Jinghong Li, a software engineer in Los Angeles. Mr. Li is chairman of the Independent Federation, a Washington-based group that was founded as a result of the 1989 crackdown and organizes public protests in the United States against the

Chinese government. "They can leave China, but their families stay behind."

Interviews with eight Chinese students and scholars who returned to the United States from China over the last several months offer evidence of a pattern. The visiting Chinese are detained, sometimes for days, and questioned intensely about their involvement — real or imagined — in the dissident movement in the United States.

Some of the Chinese do have close ties to the dissident community here, while others do not.

All insisted that their recent visits to China were routine trips to see their families and friends and were not intended to goad the Chinese government ahead of Mr. Clinton's trip.

Human rights groups say there was a similar pattern just before President Jiang Zemin's state visit to the United States last October.

Bangzheng Chen, a molecular biologist who has been in the United States since 1985 and works for the Food and Drug Administration at a research center in Arkansas, said that he visited China in March to see his 85-year-old mother and to "visit with some old friends — that was the only purpose of my trip."

But a week after arriving in China, he received a phone call "from some national security agents who said they knew I was back in China," said Mr. Chen, who had last visited his homeland in 1991.

During a seven-hour interrogation, he says, he was questioned about his ties to organizations of Chinese students and scholars in the United States, most importantly the Independent Federation.

"They know a lot about almost every member in the group," he said.

"They knew the names," he added. "They knew more names than I did. They asked me what role these people played in the organizations. All the details. You name it. I told them I wasn't so involved. I said I didn't have a lot to offer them."

But the police were not satisfied with his answers, he said, and so he was picked up again several days later and interrogated for another three hours to four hours.

"It was clear to me that they didn't want anything to happen to interrupt any honeymoon between Jiang Zemin and Clinton," he said.

## POLITICAL NOTES

### Richer Republicans

WASHINGTON — The 1998 Republican House-Senate Dinner is a week away, but the Republicans have already reached their fund-raising goal of \$10 million — and are still going. "We're just on cloud nine," said the National Republican Congressional Committee spokesman, Mary Crawford, who noted that the total had surpassed the record for a congressional dinner, set in 1996, by \$2.7 million.

The money was largely raised through a series of "dialing for dollars" sessions featuring members of the House and Senate leadership. The dinner, which is organized by the House majority leader, Richard Arrey of Texas, and Senator Larry Craig of Idaho, will take place June 16 at the Washington Convention Center.

According to last week's accounting, Mr. Arrey netted \$626,000, while Representative Jennifer Dunn of Washington, the Republican conference vice chairman, collected \$105,000 and Representative Deborah Pryce of Ohio, the conference secretary, amassed \$85,000.

The Republican Policy Committee chairman, Christopher Cox of California, raised \$101,000 and Representative Mark Foley of Florida raised \$237,000. The party's most effective fund-raiser, Speaker Newt Gingrich of Georgia, the House speaker, made calls last week for the first time, so they have yet to show up in the totals. (AP)

### Jordan Testifies

WASHINGTON — The presidential confidant Vernon Jordan testified Tuesday before a grand jury for a fifth time in the Monica Lewinsky investigation, saying he helped get a lawyer and a job for the former White House intern but did nothing wrong.

Speaking testily, Mr. Jordan said that he had testified "five times over and over again" about the assistance he gave Ms. Lewinsky, who has filed an affidavit denying a sexual relationship with President Bill Clinton.

Mr. Jordan said he had been assured by Whitewater prosecutors that "this was my fifth and, barring unforeseen circumstances, final appearance" before the grand jury.

When he was called in early March, Mr. Jordan said, his testimony was the same: "I helped Ms. Lewinsky get a lawyer, I helped her get a job. I had assurances there was no sexual relationship, and I did not tell her to lie. That was the truth then, and that is the truth today."

Mr. Jordan assisted Ms. Lewinsky late last year and early this year when she was under subpoena in the Paula Jones sexual harassment case against Mr. Clinton.

Ms. Lewinsky says in secretly tape-recorded conversations in the hands of Whitewater prosecutors that she did have a sexual relationship with the president and that she was urged to do it.

### Quote/Unquote

President Bill Clinton at a dinner in New York that raised \$1.1 million for his party's congressional candidates: "We...Democrats have an agenda. We're not trying to sit on these good times. We're not asking anyone to vote for us because the status quo is fine." (AP)



NO THANKS — Elizabeth Dole telling CNN's Larry King that she has no plans to seek the Republican presidential nomination, even as a survey showed her and Vice President Al Gore in virtually a dead heat.

## U.S. Army Revamps the Structure of Its Combat Divisions

By Bradley Graham  
*Washington Post Service*

WASHINGTON — Four years ago, facing a new landscape of unfamiliar enemies and futuristic weapons, U.S. Army commanders set out to redesign the combat division, the basic U.S. building block of land warfare from World War I through the Gulf War.

The results, announced Tuesday, fall considerably short of the wholesale streamlining of combat structure advocated by some influential strategic thinkers inside and outside the army.

Rejecting calls for bolder change after the end of the Cold War, the army has decided to trim troop

strength in the usual 18,000-soldier divisions by a modest 13 percent, to 15,700 and keep the structure essentially intact.

This was described as the most conservative of several options that senior commanders considered.

The changes, affecting 6 of the current 10 divisions, are the first of what military officials say will be a progressive series of moves over the next decade or two to create more agile land forces better suited to face 21st century adversaries.

The army, like the other military branches, has lost more than a third of its uniformed personnel over the past decade, but it has continued to rely on divisions to bring together the components for

waging war — tank battalions, infantry regiments, aviation brigades, support battalions and so on.

Each division is commanded by a two-star general and usually fights as part of a corps, which contains two to five divisions.

The new divisions will have somewhat fewer armored vehicles and more reconnaissance and artillery than before. Still, like their predecessors, they will consist of three armored or mechanized brigades and include a mix of artillery, helicopters, air defense, communications, intelligence and support elements.

"I think the army has missed an opportunity to transform its force structure and gain some efficiencies," said Frank Finelli, a retired officer

who served as a planner on the Pentagon's Joint Staff and now works as an assistant to Senator Dan Coats, Republican of Indiana who is chairman of the Armed Services subcommittee on ground forces.

Army officials said they considered adopting a much smaller division and ceding more independence to brigades. But they concluded that this would be too vulnerable and unworkable.

Study after study has recommended that the Pentagon slim down, invest in better intelligence-gathering systems and gear itself to combating such less conventional threats as germ warfare agents, assaults against computer systems and also urban operations.

## Army Assault on Rebels Mirrors Mexico's Tougher Stance

By Serge F. Kovaleski  
*Washington Post Service*

MEXICO CITY — The killing of 11 leftist rebels over the weekend by an army patrol in one of the bloodiest clashes in Mexico in nearly two years occurred as the government was taking a sharply more aggressive stance against insurgents and their sympathizers.

The six-hour firefight Sunday between Mexican troops and members of the Popular Revolutionary Army in the town of El Charco, near Acapulco, occurred less than a week after security forces raided a town in the southern state of Chiapas. They arres-

ted 167 people in the town who they said were loyal to the Zapatista National Liberation Army, the country's largest guerrilla force.

The raid in the Chiapas town of Nicolas Ruiz was similar to two others since April in the villages of Tamperita and Agua Tinta, both considered to be sympathetic to the Zapatistas.

Critics contend that the stepped-up military actions and the apparent antipathy shown by the administration of President Ernesto Zedillo toward mediated peace talks with the Zapatistas have for now precluded any possibility of an accord with the rebel group, which is seeking greater Indian rights.

No peace negotiations are under way with the Popular Revolutionary Army, a Marxist group based in the southwestern state of Guerrero that emerged as a force in 1996. The National Mediation Commission, an independent committee that had been involved in the effort to arrange a peace between the government and Zapatistas, said Sunday it was dissolving. It accused the government of promoting discord and weakening efforts toward reconciliation.

The commission's decision followed the resignation of Bishop Samuel Ruiz as its president. The commission said that its members had been left with no choice but to withdraw.

Meanwhile, Odilon Romero, the opposition mayor of the municipality of Ayutla, which includes El Charco, said that members of the Popular Revolutionary Army had asked residents to attend an informational meeting in the town Saturday afternoon. The session lasted into the night, and the rebels decided to stay until morning at a schoolhouse.

But, Mr. Romero said, someone had alerted the army to the guerrillas' whereabouts, and at around 3 A.M. Sunday the troops started their attack. A witness said that four helicopters had showered the school with bullets and explosives while soldiers exchanged fire with the insurgents. No

army casualties were reported. On Monday, large numbers of families were said to be fleeing El Charco.

"I am trying to convince them that there is no reason to leave their homes or normal activities," Mayor Romero said. "But in reality, they are very scared of the heavy military presence."

Be ahead of your time.

## Honda and Ford Fined

New York Times Service

WASHINGTON — The Co. \$12.6 million for violations of the Clean Air Act. The agency said the automaker would also face costs of about \$250 million for remedial efforts, including extending warranties and providing free tune-ups for the 1.6 million cars that are affected.

Ford Motor Co. will pay a \$2.5 million fine for a pollution-control problem on 60,000 of its 1997 Econoline vans, the officials said, and \$3.8 million in other costs and compensatory measures. Ford began a recall of the vans Monday.

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## ASIA/PACIFIC

## Jakarta Courts East Timor Rebels

## Habibie Offers Special Status, but Militants Say Move Falls Short

*The Associated Press*  
JAKARTA — President B. J. Habibie said Tuesday he was ready to grant special status within Indonesia to East Timor in exchange for peace in the territory.

In an interview with the BBC, Mr. Habibie also said he had signed a decree by Indonesia, which invaded the former Portuguese colony in 1975. But Mr. Habibie made it clear that Xanana Gusmao, the imprisoned East Timorese guerrilla leader, would not be freed.

East Timorese militants said that Mr. Habibie's gesture was not sufficient to bring an end to the guerrilla war against Indonesian rule.

Nevertheless, Mr. Habibie's comments appeared to mark a significant change in policy toward East Timor following the resignation last month of President Suharto, who had steadfastly refused to make any concessions.

It was not clear what form the East Timor's special status might take, although it was certain that there would be no referendum on self-determination, as the separatists have demanded.

Mr. Habibie said that East Timor would remain an integral part of Indonesia and that special status would not lead to political autonomy.

"There is no way you can discuss that

with me," he said of autonomy or independence. "No, we will not let that happen."

A presidential aide, who spoke on condition of anonymity, said that mainly Muslim Indonesia would grant some form of recognition to the territory's culture and Roman Catholic religion.

Other parts of the special status include the capital, Jakarta, the province of Aceh in northern Sumatra and the sultanate of Yogyakarta in Central Java.

The East Timor leader Jose Ramos-Horta, a co-winner of the 1996 Nobel Peace Prize, rejected Mr. Habibie's offer as ambiguous and arrogant. "I don't think it will satisfy the people of East Timor," Mr. Ramos-Horta told the BBC.

"Our demand, which is very basic, is that the people of East Timor be given the right, the opportunity, to express their views about their own future through a referendum under UN supervision," he said.

He welcomed the order for the release of the 10 prisoners, but added that all should be freed, including Mr. Gusmao, who is serving a 20-year sentence in Cipinang Prison in Jakarta.

Fernando Araujo, an East Timorese activist and former political prisoner

who is in regular contact with Mr. Gusmao, said the withdrawal of Indonesian troops and the release of Mr. Gusmao were essential for a peaceful solution.

Earlier Tuesday, the Indonesian foreign minister Ali Alatas, said that Mr. Suharto's departure from politics had provided an opportunity for Portugal, East Timorese separatists and Indonesia to resolve conflicts over the disputed territory.

■ State Attacks Policemen's Case

Prosecutors asked an Indonesian military court Tuesday to reject defense assertions that two police officers charged with killing students last month were being used to shield others, Reuters reported from Jakarta.

One of the prosecutors, Colonel Sadji Purwono, asked the court to reject the contention.

"The defense team's statement that they will prove the two accused are only shields sacrificed to cover the wrongdoing of other parties, are, according to our evaluation, highly tendentious and filled with ill intentions besides discrediting other authorities," he said.

The two police lieutenants, Agus Tri Heryanto, 39, and Paryo, 38, are charged with willfully disobeying or exceeding orders under article 103 of the Military Penal Code.



Residents of Dili, in East Timor, paying respects Tuesday at Santa Cruz cemetery, site of a 1991 army massacre of separatist protesters.

## Crises Nudge East Asians Into Stronger Military Ties With U.S.

By Michael Richardson  
*International Herald Tribune*

KUALA LUMPUR — East Asia's economic troubles are likely to strengthen the key military alliances that the United States has with countries in the region because they offer stability in turbulent times, officials and analysts say.

Before the financial crisis started to shake the whole of East Asia, China was a strident critic of the alliances on the grounds that they were aimed at encircling and weakening China. But the Chinese government has significantly toned down its opposition. This is not only because Beijing wants to create a better atmosphere for Chinese-American relations before President Bill Clinton's state visit to China, starting June 25.

Analysts and officials who attended a recent conference here on regional security say that Chinese leaders now see considerable value in the stabilizing influence of the bilateral alliances America has with Japan, South Korea, the Philippines, Thailand and Australia, especially the pact between Washington and Tokyo that effectively limits Japanese military power.

Greg Austin, a specialist on Northeast Asia at the Australian National University in Canberra, said, "As much as some Chinese official state-

ments might rail against the concept of alliances, the Chinese government accepts that the U.S. alliance with Japan is a net benefit both to China's security and to regional stability."

Analysts said that, since September, three months after the start of East Asia's financial turmoil, China's official line on the U.S. military presence in Asia has changed from one of opposition to one of approval for the time being, because the last thing Beijing wants is strategic instability at a time of economic uncertainty.

By demanding an end to the U.S. presence, China realized that it was "provoking doubts and fears among its Asian neighbors," Mr. Austin said. "Since the U.S. was unlikely to withdraw, China had nothing to gain — and much to lose — by trumpeting so loudly about getting them out."

Qian Wenrong, deputy chief of the Center for World Studies of China's official Xinhua press agency, said that Beijing favored the development of multilateral security arrangements in Asia, such as the ASEAN Regional Forum on security, but had to take account of the fact that many other countries in the region preferred to rely on military alliances for now.

"Most of the East Asian countries do advocate further development of multilateral security cooperation but, at the same time, they think that the

time has not yet come to replace military alliances," Mr. Qian said. "On the contrary, many countries still believe that military alliance is a reliable security approach."

Nearly all the 100,000 American troops in Asia are based in Japan and South Korea.

Mr. Qian said that many regional countries faced a contradiction. "On the one hand, they are worried that once Japan develops into a military power by relying on the strengthened Japan-U.S. military alliance, it could threaten regional security. But on the other, due to their concern over Japan and the emerging China, they hope that the U.S. continues to keep its military presence in this region so as to seek peace and security under the condition of big power equilibrium."

While security in Western Europe has been managed at a multilateral level since 1949 by institutions such as the North Atlantic Treaty Organization, Northeast Asia's political diversity, mutual suspicions and intractable territorial disputes, such as those between North and South Korea, Taiwan and China, and China and Japan, have prevented the development of region-wide institutions to manage differences and foster cooperation.

In Northeast Asia, the most volatile part of the region, there is no formal security architecture at

all, apart from the U.S.-Japan and U.S.-South Korean alliances.

On his visit to the United States this week, President Kim Dae Jung of South Korea is expected to underline the importance of the alliance with Washington.

Australia and the Philippines have both taken steps recently to strengthen their alliances with the United States, while Thailand used its close security ties with Washington to gain urgently needed financial aid and cancel a major purchase of American jets it could no longer afford.

Kent Calder, special adviser to the American ambassador to Japan, said, "Alliances, particularly the U.S.-Japan alliance, will be the inevitable bedrock of regional security for the foreseeable future."

"Indeed, it is the underlying stability they give that provides traction for other types of relationships now emerging in the region, including multilateral security dialogues and institutions."

Japan depends on imports, mainly from the Middle East, for nearly all its oil and most of its natural gas, both vital industrial and transport fuels. China, South Korea and countries of the Association of South East Asian Nations, also import a growing amount of energy through the same sea lanes from the Gulf.

## Q &amp; A / Muchtar Pakpahan

## Suharto Pulls the Strings'

**Muchtar Pakpahan**, founder of Indonesia's first independent labor union, SBSI, in 1992, was imprisoned by the Suharto government for "subversive activities" in 1996. After Mr. Suharto stepped down on May 21, Mr. Pakpahan was invited by the World Confederation of Labor to attend the annual assembly of the International Labor Organization in Geneva this week. He discussed his country's problems and prospects with Robert Kroon for the IHT.

**Q.** The Indonesian government Tuesday accepted the ILO convention on workers' freedom of association, which puts you in the driver's seat as leader of Indonesia's first free labor movement. Do you think President B. J. Habibie is now seriously committed to social and political reforms?

**A.** Not really. He has always been Suharto's puppet and Suharto is still pulling the strings behind the scenes. That goes not only for Habibie, but also for his cabinet, which retained several ministers from the corrupt Suharto era. The reform process is much too slow. Habibie wants to hang on until the next century. The MPR, the People's Constitutive Assembly, must be convened as soon as possible to install a new and more credible transition government and prepare for early general elections. We have given Habibie until June 15 to make up his mind about this special MPR session. If he keeps stalling, we will organize mass demonstrations of Indonesian workers and students to force Habibie out of office and speed up reforms. Indonesian workers are the main victims of the economic crisis resulting from the corrupt Suharto regime.

**Q.** In the present climate couldn't mass demonstrations trigger a new wave of violence?

**A.** I am against violence and the demonstrations will be peaceful if there are no provocations from the military. The attitude of the ABRI, the armed forces, in the reform process remains unclear. The military establishment is split in nationalist and Islamic fundamentalist factions. Armed forces chief General Wiranto claims he wants democratic reform, but he is an ambivalent factor in the military equation. He relieved General Prabowo Subianto, Suharto's son-in-law, from his command of the elite Strategic Reserve, but Prabowo remains a dangerous man.

**Q.** Isn't there a danger that Indonesia could turn into a fundamentalist state?

**A.** I see three negative possibilities: A military takeover, total anarchy, or a fundamentalist state. Freedom of religion is one of the underpinnings of the Indonesian republic and it must be respected. The general election should be a free and fair contest between political parties that are constituted according to democratic and not religious principles.

## After Quake, Some Afghans Profit as Aid Teams Move In

By Molly Moore  
*Washington Post Service*

FEYZABAD, Afghanistan — Ten days ago, Commander Mohammed, the overseer of a little-used airfield in the Hindu Kush, the mountains of northeastern Afghanistan, was living in a mud hut and had not seen a paycheck from the warlord of his militia faction in months.

Today, he is the de facto mayor of an international community of relief workers, journalists and militiamen who have converged on a primitive, corrugated-metal landing strip that is the only gateway to one of the most inaccessible natural disasters in years — an earthquake that killed about 3,000 people and left tens of thousands homeless.

Commander Mohammed, a bushy-bearded man with a perpetually startled look in his deep brown eyes, has rented out his mud hut for \$50 a day. There is no water, running or otherwise, and the bathroom is a patch of weeds behind the rusting Soviet armored personnel carriers that flank the airstrip.

Next door, a group of relief workers has commandeered a dilapidated-concrete building that has a faded warning painted on its front: "Trade, cultivation and use of opium is strongly forbidden in Islam." Sprouting along the foundation of every nearby building are bright orange poppy flowers.

A bit farther along, television crews have moved into the airfield's two-story observation tower.

One day recently, when bad weather grounded the helicopters and stalled efforts to ferry food and other goods to victims of the earthquake, Commander Mohammed rallied his band of guards — all clad in turbans, traditional tunics and rubber sandals and all carrying AK-47 rifles — to take advantage of entrepreneurial opportunities.

They scavenged for gasoline from a nearby village. The going rate on resale to journalists: \$45 for a gallon and a half to operate generators needed to power satellite telephones.

It did not take long for enterprising villagers to discover the international cash cow for themselves. Almost overnight, a tiny bazaar appeared outside the gates of the airfield.

But the main activity of the airstrip community centered on the wait for the sound of whirling helicopter blades. The relief base here, coordinated primarily by the United Nations and the International Committee of the Red Cross, has no communication with Dushanbe, Tajikistan, where the helicopters are stored each night by their Tajik crews.

Every morning, aid workers and journalists trained their eyes on the distant mountain peaks, trying to gauge whether gathering clouds here meant bad weather in Dushanbe, more than a hour away by air. In the first nine days of the relief effort following the May 30 quake, helicopters were able to fly relief missions on only three days.

That left Angus Fraser, a towering Scotsman who coordinates food distribution for the World Food Program, one of the most frustrated men on the planet. Even before the bad weather set in, there was no fuel available here for the four meager helicopters contracted to cover 84 quake-shattered villages in treacherous mountain terrain. When fuel finally arrived, weather grounded all the choppers. When the weather began cooperating on Sunday, medical teams said they needed all the helicopters to investigate a suspected cholera outbreak on the northern edge of the quake zone.

When the aircraft finally arrived — a shiny white UN helicopter and three aging mustard-yellow machines owned by the Tajik government — chaos broke out among medical teams competing for space on board with food supply agencies, while journalists clamored to be taken along.

Affected villages are so isolated along jagged mountain sides that relief agencies have to pinpoint devastated communities using global positioning satellites out of fear that the helicopters would not be able to find them again on return trips.

## BRIEFLY

## Roadblock Stalls Bangladesh Protest

DHAKA, Bangladesh — A huge anti-government protest was stalled Tuesday on the outskirts of the Bangladeshi capital by a roadblock of 100 trucks set up by supporters of the prime minister, Sheikh Hasina Wazed.

Some in the angry crowd of tens of thousands set fire to several of the trucks used to block the road. Sheikh Hasina had said she would let the march go ahead, and it was not clear if she had ordered her supporters to put up the barricade.

Former Prime Minister Khalida Zia was leading the "long march" protest, scheduled over two days, to underscore opposition to a peace accord she gives away too much to tribal people in the southeast.

Begum Zia has led an opposition campaign since she lost power in elections two years ago. (AP)

## Cyclone in India

BOMBAY — A cyclone spun onto India's western Gujarat state Tuesday, whipping up high winds that toppled walls and a communication tower, killing 21 people.

The storm hit land at Porbander, 450 kilometers (280 miles) northwest of Bombay, and gradually moved north across western India. (AP)

## Macau Raids Clubs

MACAU — Policemen in southern China arrested several hundred suspected criminals, including drug traffickers and prostitutes, in raids on nightclubs and other entertainment spots over the weekend.

The raids were part of an anti-crime campaign in Zhuhai, just across the border from the Portuguese-run enclave of Macau. (Reuters)

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## EUROPE

## World Cup Is On, As Is Labor Unrest

### Air France Pilots Not Budging

By Barry James  
*International Herald Tribune*

PARIS — The World Cup soccer tournament officially opened in France on Tuesday night amid a wave of labor unrest as specific groups of workers used the world's biggest sporting event as a lever to get higher pay, bonuses or improved conditions.

The biggest of the labor disputes was the walkout by Air France pilots, which not only threatens the success of the World Cup but also raises questions about the airline's survivability in Europe's deregulated skies. The dispute also illustrates the problems that the management of French state-owned industries faces in goading the companies to greater levels of competitiveness.

With three out of four Air France flights canceled, a British Airways subsidiary, Air Liberté, and other independent carriers have moved in to supplant the state-owned operator on domestic routes.

They have chartered larger aircraft to meet the demand. Rival international airlines, like Lufthansa, have carried many of the soccer supporters who otherwise would have flown with Air France. The airline said it had already lost more than 1 billion francs (\$168 million) during a month that even without the World Cup would have been its busiest of the year.

Worse, the airline says the planes it has managed to keep operating are flying with up to a third of their seats unsold, an indication that passengers have lost confidence in the company.

This is disturbing news for Air France's management, which maintains that the airline is no longer competitive with aggressive rivals that have younger fleets and lower air crew salaries.

The Socialist-led government plans to put 20 percent of the airline up for sale this year. But even the pilots do not want the shares. The crux

of their dispute is a refusal to accept stock in lieu of up to 15 percent of their salaries.

In the past, Air France has depended on huge subsidies from the state, but further aid is excluded by European Union rules. The airline therefore wants to cut salaries and other costs to help raise the 40 billion francs needed to buy up to 70 new planes.

The SNPL pilots' union says its members have already made enough sacrifices. They have reduced cockpit crews from three to two and say they have suffered a wage freeze since 1990.

The Air France pilots are among the most unpopular strikers in France, mostly because they have succeeded in casting a cloud over the national soccer fete. They have been criticized as corporatist and elitist by other groups of workers at Air France and even by some union leaders.

Moreover, there were signs

Tuesday of a split among the various unions representing the pilots, who planned to meet to discuss strategy.

The management, meanwhile, is planning a special board meeting this week at which it may issue a take-it-or-leave-it pay scale. What might happen then is anybody's guess.

As a cast of thousands and a million spectators prepared for the World Cup opening spectacle Tuesday, groups of workers around the country were still striking or threatening to do so. Labor unrest has been bubbling for months: the soccer tournament presented an opportunity for workers to parade their claims and grievances.

Public transport was disrupted in Lyon on Tuesday. Bus workers in Bordeaux said they would strike on Thursday, the day that Italy plays Chile in the city. A union representing a minority of train engineers called for a nationwide strike on Wednesday. Another group of rail workers called for a continuation of walkouts in the Marseille region.

retreating with heavy losses.

"It is not until the KLA begins to break into small units and develops the hit-and-run strategy of a real guerrilla force that they can have any success," said a Western military observer.

"They should be operating in small units, hitting soft targets, constantly moving and retreating or hiding from superior Serb forces. Instead, they seem to

think they can operate as a conventional army. They will be slaughtered if they keep this up."

Small rebel bands coming out of the province confirmed that bleak assessment. They said that the territory they held at the start of the offensive had been reduced and that the wounded and the displaced, they were trying to protect had become a drain on the rebel organization.

The Serbian campaign is apparently designed to empty the border villages and towns of ethnic Albanians, who make up 90 percent of the 2 million people in Kosovo. The creation of a free-fire zone along the border is intended to deny the rebels succor and support, as well as to give Serbian soldiers a license to attack anything that moves.

Tons of weapons and hundreds of rebels have crossed into Kosovo from Albania since the fighting intensified in March, according to Western diplomats, setting off another Balkan war.

The column of ethnic Albanian rebels, which formed in Albania and traveled into Kosovo under the cover of darkness, did not permit photos. The rebels also refused to say where they were headed in Kosovo, but conceded that they were going to reinforce other units holding villages surrounded by the Serbs.

Before they were ordered

to move forward, the guerrillas, in green camouflage uniforms and each shouldering two AK-47 assault rifles, rested in a lush, alpine valley waiting for the sun to sink.

Thin lines of cigarette smoke drifted upward from the small knots of men and periodic messages crackled on the small walkie-talkie of the commander, who is in his 30s. He was equipped with a light machine gun and a new 9-millimeter Beretta pistol in a glossy black leather holster.

"Move, move!" he told his troops. "It is time to go."

The rebels formed themselves into a long, straggly file, shifted their army rucksacks and dropped their cigarettes into the carpet of grass. The train of fighters and pack horses, which soon stretched hundreds of meters, moved across the jagged gray rocks along the ridge. Many of the cliff plunged to scrub-covered valleys below.

"There are fewer and fewer towns holding out now," said a 23-year-old guerrilla, who like many was outfitted in a surplus German army uniform and had a red patch with "UCK," the initials of the Albanian words for the Kosovo Liberation Army on his cap.

The Serbs surround the villages, shell the houses and cut off the food supplies," he said. "I walked in from Smolice today. There is still resistance, but the shelling is terrible. There are many wounded and dead. We are trying to get the women and children out, but even this is not always possible."

Smolice, a few kilometers east of Ponosevac, is one of the traditional strongholds of the rebels. It was an ambush there on a Yugoslav Army convoy on March 22 that Belgrade cited as its reason for beginning the huge counter-

insurgency campaign along the border with Albania.

As the rebels moved forward, the crash of heavy Serbian artillery boomed out, sending echoes through the narrow canyons. Two Serbian jets roared just over the ridge line, plummeting in fury toward the valleys where the combat is taking place.

Distracted and stunned refugees, many of whom had been moving toward Albania through the mountains for two or three days, sat exhausted along the mountain path.

About 20,000 people have been driven from their homes by the Serbs, and that number, according to aid workers, is expected to double within the coming days.

The village of Decani "no longer exists," said Jusuf Vishi, 71, as he sat with about 60 fleeing villagers on a slope. "It is just a name now. The Serb soldiers shelled it, came in and looted our homes and then burned the town to the ground. We fled to other, smaller villages, but the soldiers are just repeating the tactic all along the border."

The influx of new fighters, many ethnic Albanians from Germany and Switzerland, can at best retard the scorched-earth policy of the tens of thousands of Serb troops and special policemen deployed in Kosovo.

The guerrilla force, despite the hundreds of volunteers and impressive arms supplies, remains poorly organized, led by commanders with little experience. Recruits receive desultory training that rarely goes beyond showing them how to clean, assemble and fire AK-47 assault rifles.

"The Serbs are moving closer to the Albanian border by the day," said a fighter, who like all the guerrillas refused to give his name.

## Right to Rebuff Prodi on NATO

ROME — Silvio Berlusconi's main ally in the center-right opposition confirmed Tuesday that the alliance will not support Prime Minister Romano Prodi's government in a vote later this month on NATO.

Without the support of the Freedom Alliance, Mr. Prodi's center-left coalition risks losing the vote and thus having to face a vote of confidence.

While Mr. Berlusconi and his allies support NATO's eastward expansion, they have announced their refusal to come to the rescue of the government again in the face of the governing coalition's difficulties with its Communist allies, Fausto Bertinotti's Refounded Communist Party, which says it will vote against NATO expansion.

Boasted by a strong showing for the center-right in scattered local elections last weekend, Mr. Berlusconi said Monday that he wanted to "send Prodi and his government home."

"We don't want to bail Prodi out in any way," Gianfranco Fini, leader of the right-wing National Alliance, a key in Mr. Berlusconi's coalition, said. (AP)

## National Front Bombed

MARSEILLE — A bomb exploded in an office of the far-right National Front in Marseille on Tuesday, slightly wounding two activists.

No one immediately took responsibility for the attack, but investigators said they believed it could be linked to the trial of three National Front supporters over the 1995 killing in Marseille of a teenage immigrant from the Comoro Islands.

The three men, aged 39 to 65, were to go on trial later in the day over the shooting of Ibrahim Ali. (Reuters)

## Boost for British Beef Exports

BRUSSELS — The EU Commission is about to give the green light to lift completely the two-year ban on British beef exports, sources said Tuesday, three days ahead of a special meeting of the EU's veterinary committee.

The recommendation will be made Wednesday, the sources said, but they could not say when the ban — ordered in March 1996 to prevent exports of cattle that might be suffering from "mad cow" disease — will be lifted.

The committee, which groups senior veterinarians from the 15 European Union member states, is due to meet on Friday and could approve the recommendation by a vote.

If the recommendation fails to pass the committee, it will go to EU agriculture ministers.

A worldwide ban on British beef exports was declared after Britain announced the discovery of a link between bovine spongiform encephalopathy in cattle and a new strain of Creutzfeld-Jakob disease, a fatal brain-wasting condition in humans with no known cure. (AFP)

## Cardinal Casaroli Is Dead at 83

By Alessandra Stanley  
*New York Times Service*

ROME — Cardinal Agostino Casaroli, the former senior Vatican diplomat who was second-in-command to Pope John Paul II during the most active and turbulent times of his papacy, died Tuesday in Rome of an infection after minor surgery, according to the Italian news agency ANSA. He was 83 years old.

The highpoint of Cardinal Casaroli's diplomatic career came a year before his retirement, when, after years of quiet negotiation, he helped arrange the historic 1989 meeting between Mikhail Gorbachev, the Soviet leader, and Pope John Paul II at the Vatican.

In the 1960s and 1970s, he

wounded by an assailant in Rome. Two hours after his plane landed at New York, Cardinal Casaroli boarded a return flight to Rome, telling reporters: "My duty is to be with the Holy Father."

He ran the Vatican — and held it together — while the Pope recuperated from his wounds.

Cardinal Casaroli, who spoke Spanish, French, English, German and Portuguese, had also studied Polish, Russian and Chinese. He was known for tact and diplomacy in all the languages he spoke.

### Harold Segal, 77, World War II Ace

NEW YORK (NYT) —

Harold Segal, a Marine fighter pilot who shot down 12 Japanese planes in World War II — three of them in a single duel, died Wednesday in Scottsdale, Arizona. He was 77 years old.

In March 1944, more than 500 gathered at the Hotel Pennsylvania in New York to honor the ace, a former art student from New York, on his triumphant return home.

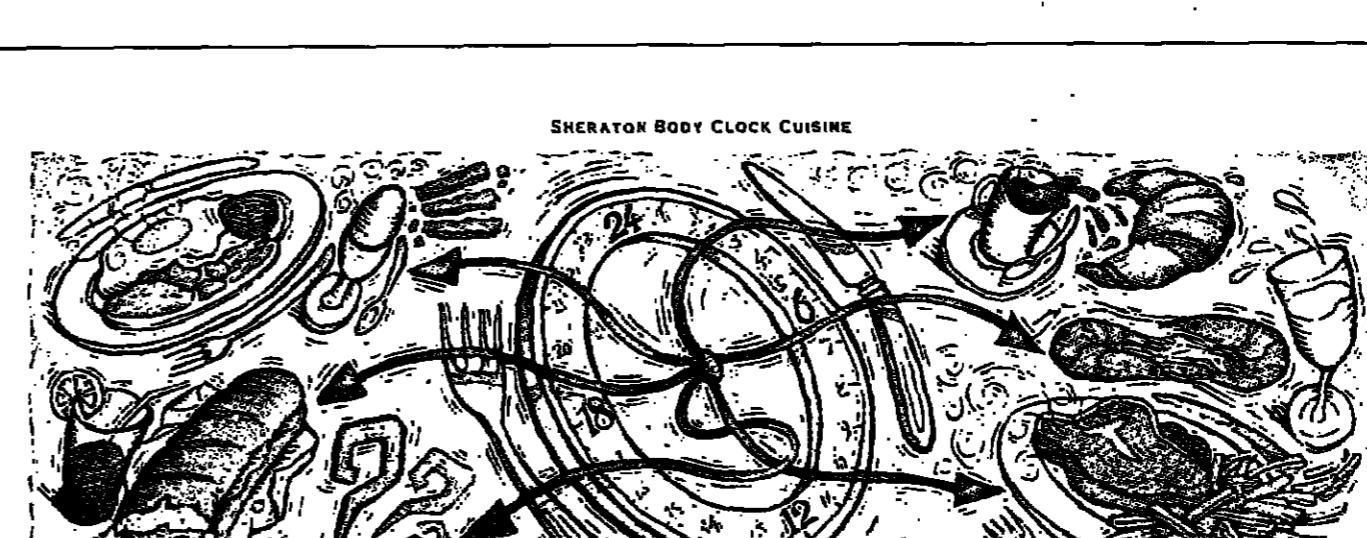
Jeannette Nolan, 86, who had a 70-year career in radio, stage, television and film, died Friday in Los Angeles of a stroke.

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## INTERNATIONAL

**Of Italy's 2 Pompeii, the Extinct City Seems the Only One With a Future**By Alessandra Stanley  
*New York Times Service***POMPEII, Italy** — There are two Pompeii's near the Bay of Naples and it is not always clear which is the dead city.

One, crawling with tourists, guides, laborers and archaeologists, hums with activity. The other, where the unemployment rate is 30 percent, has crumpled buildings, faded honky-tonk signs and stray dogs sleeping in the sun.

With the approach of the millennium and its attendant religious celebrations comes the prospect of 8 million visitors — about evenly divided between pilgrims to a shrine in the modern town and tourists interested in the ruins.

Both Pompeii are expecting huge infusions of money for badly needed construction and repair. That money from state and private sources could help bridge the longstanding divide between

the two towns. But so far, it has mainly inflamed old rifts.

Together, the two epitomize the paradoxes of Italian life. The country is increasingly counting on tourism to fuel its economy and the Roman ruins of Pompeii — a frozen glimpse of the country's long-buried imperial past — are actually an engine of its future.

Meanwhile, the modern town of Pompeii suffers with organized crime, poverty and unemployment — all the endemic contemporary problems that have held southern Italy back and hampered the growth of tourism.

There is a kind of class warfare between the two.

The prestigious, unique ruins of Pompeii loom above the surrounding modern sprawl. Beyond its Roman walls, the town of Pompeii, poor, crime-prone, ugly and studiously avoided by tour

groups, simmers resentfully. The modern town (population 27,000) has been promised the equivalent of \$31 million in state financing to get itself into shape for 2000.

Mayor Sandro Staiano, 43, says that sum is not even close to enough. He is

wiped out in A.D. 79 by the eruption at Vesuvius, are Italy's most popular tourist attraction, visited by 2 million people a year. Only the Vatican, which is technically an independent state, gets more. Four million visitors are expected in 2000.

**Modern Pompeii suffers with all the problems that have held southern Italy back and hampered the growth of tourism.**

seeking \$60 million more from private investors and views the millennium boom as his town's last chance for survival.

"If we don't build new infrastructure and bring tourists here," he said with a sour smile, "we'll have another destroyed Pompeii. Then, visitors will come here and inspect our ruins."

The ruins of Pompeii, the ancient city

But the site, however promising, is not ready to seize its moment.

Pompeii's ruins are falling further into ruin through neglect, erosion and vandalism. Much has had to be closed: Only 20 villas are now open to the public, down from 64 in 1956. Frescoes are fading, walls are collapsing and 2,000-year-old floor tiles unprotected from rain lie jumbled on the ground like

Scrabble pieces. The World Monument Fund and Unesco both put Pompeii on their lists of endangered world treasures last year and pledged to help pay for restoration projects. The Italian government has also promised \$60 million for the site over the next three years. And this, too, is not enough, its caretakers say.

"We need \$280 million just to protect and restore what we have," said Pietro Giovanni Guzzo, 53, superintendent of the Pompeii ru-

ins.

The \$60 million will be used for restoration and preservation, not for existing archaeological work and new excavations. Nor will it trickle down to the neighboring town.

Mr. Guzzo, who was appointed three years ago, said he was aware of the smoldering rancor of the town of Pompeii but could do little about it. He has a

plan — not yet financed — to build public parks and picnic areas along the walls to bridge the divide between town and archaeological site.

"It's true that we have to find a way to involve the town more in what we do," he said.

The town of Pompeii does have one famous shrine, the Madonnas of Pompeii, which each year attracts more than 1.5 million religious pilgrims. Four million are expected to journey there in 2000.

Worshippers of the Pompeii madonna tend to be pious but poor, and they do not spend much money in the town. Nor do they frequent its hotels, most of whose 600 beds are rented out by the hour.

Tour groups bus thousands in every day to see the ruins and then race them off to Naples or the resort town of Sorrento, bypassing the town of Pompeii.

The town's inability to attract the development that would tempt tourists is a typically southern Italian problem. Its region, Campania, is prone to mudslides and earthquakes as well as being deeply infiltrated by the Neapolitan Mafia, known as the Camorra. Legitimate businesses are reluctant to invest.

Construction, mostly Mafia-controlled, is shoddy and illegal. State money for public works projects has a history of getting diverted along the way. The three previous mayors of Pompeii are awaiting trial on corruption charges. When local law enforcement officials want to tear down illegal housing, they call in the army to ensure that it gets done.

Mayor Staiano is well aware that his plan to select private investors to build hotels and restaurants may mainly lure criminal groups, and says local anti-crime authorities are on the alert.

Organized crime is not the main concern of Mr. Guzzo, but he has security concerns of his own at the archaeological site. He, too, is trying to change an entrenched system — in this case one of patronage and bureaucracy.

Pompeii has 140 custodians, civil servants who can almost never be dismissed. Pompeii guards are known to accept bribes to take tourists into closed areas. Mr. Guzzo recently tried to clamp down by ordering that all guards leave their keys in the front office. The order created such a fuss that he had to back down.

"Some of these custodians have the same last names as people who worked here in the 18th century," he said. "It's difficult to change in 3 years what has been going on for 250."

He is also struggling to resolve a debate raging between archaeologists and scholars over whether to dig more or restore what is already there. Only two-thirds of the original city of Pompeii has been excavated. Beneath the Roman Pompeii, moreover, there are fragments of societies dating back to the Bronze Age.

Mr. Guzzo, who is determined to save what he has before uncovering more, plans to offer Italian corporations a chance to sponsor Pompeii villas and pay for restoration and maintenance. But he said that sponsors preferred the more glamorous public-relations payoff of unearthing fresh sites.

"It's more romantic to find new things than conserve what you already know," he said with a weary smile.

Even so, some new features intended for the millennium are already in place. Six villas have opened this year, as well as three new pathways, which allow visitors to stroll in shaded areas and even picnic among the ruins.

Other improvements, however, have created huge local uproars. The site's directors have decided to let businesses bid for franchises on several restaurants, bookstores and museum shops inside the ancient city's gates. This has infuriated local vendors whose livelihood depends on selling soft drinks, pizza, guidebooks and souvenirs outside the gates.

"We asked to go inside, but they only want big companies," Pietro Reggi, 23, complained from his souvenir stand. He has an accounting degree, he said, but explained that the only work available is the family-owned stand.

"They are speaking with the likes of Agnelli," he said, referring to the family that established Fiat. "We are nothing."

Staring up resentfully at the walls, Mr. Reggi added, "Pompeii is a national treasure, but they are turning it into a Jurassic Park."

Agence France-Presse  
DELUGE IN HONG KONG — A man losing his footing Tuesday as a policeman watched after Hong Kong was hit by the heaviest rains this year. More than 150 millimeters fell during a seven-hour period.**LAGOS: Opposition Rejects Military Rule and Vows to Fight On**

Continued from Page 1

vention has ended the crisis, is now," said a statement issued Tuesday by United Action for Democracy, an opposition umbrella movement.

A broad range of opposition groups have called for an Abiola-led transition government to prepare a constitution and elections for lasting democratic rule.

But the opposition's hopes may be unrealistically high. They have not recently been able to sustain public protest against the military.

Nigerians are deeply apathetic and appear to want the army out of power, but exhausted and impoverished by Nigeria's economic paralysis, people have shown little readiness to risk active protest against the armed forces.

On April 25, Nigerians boycotted as a sham a legislative election called by General Abacha. But a week later, they responded only feebly to an opposition call to march in the streets to demand civilian rule. A protest, in the city of Ibadan turned into a riot, and seven demonstrators were killed.

Nigerians, still haunted by the 30-year-old memories of the Biafra conflict, one of Africa's worst civil wars, have little difficulty imagining a continuation, indeed acceleration, of their national tragedy.

In Sierra Leone, Nigerian soldiers intervened recently to restore the elected president, Ahmad Tejan Kabbah, who had been overthrown, and rout a guerrilla force that has been terrorizing much of the countryside. There, people from street vendors to government officials expressed fear that disorder in Nigeria would cause that country to lessen its commitment in Sierra Leone, perhaps allowing the rebels to make a comeback.

"Abacha may have been hated in Nigeria, but he saved us here," said one Sierra Leonean journalist. "If things go badly in Nigeria, we will surely suffer again."

In other West African countries mounting concerns about stability in Nigeria have less to do with Nigerian military involvements than with fears of a huge refugee outflow.

"If there is trouble in Nigeria, there is trouble for all of West Africa," said one senior official from Ivory Coast. "A sinking Nigeria is big enough to swamp us all."

Nigerian military and political analysts say the officer corps includes many who see the army as corrupted by power and better off returning to the barracks. But General Abacha worked steadily while in power to scatter and suppress that constituency.

In choosing General Abubakar, who served General Abacha as military chief of staff, the top leadership appeared to signal that there would be as little change as possible. General Abubakar, a career officer who has never previously held a political post, "is certainly not someone likely to lead a move toward civilian rule," said a Western analyst, who asked not to be named.

He is a product of a military hierarchy



General Sani Abacha, Nigeria's former president, left, with General Abdusalam Abubakar, right, who was selected to succeed him, in a file photo.

"At best," he added, "he might turn out to be a pragmatist who will listen to the public demands, as opposed to Abacha, who sought only to crush them."

## ■ The Ninth Military Ruler

A career serviceman, General Abubakar is Nigeria's ninth military ruler since the country gained independence from British colonial rule in 1960. The Associated Press reported.

General Abubakar, 55, emerged on the national political scene in 1993 when General Abacha — who had seized power in a coup — selected him as his chief of staff.

He is a product of a military hierarchy

that rewards its own and honors unflagging loyalty; his first public words as head of state rang like a military order.

"All hands must be on deck to move this nation forward. I will address the nation in due course," he said.

General Abubakar was born June 13, 1942, in the town of Minna near the capital, Abuja. In the mid-1970s, he left the air force to join the army, which sent him to the United States for training.

In 1981, he was appointed commander of a Nigerian contingent attached to a UN peacekeeping force in Lebanon.

Rising through the ranks, he became a senior officer in the army during the late 1980s, finally coming to General Abacha's attention in 1993.

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**Clinton Is Confident Kim Can Lead Korea To Economic Recovery**

The Associated Press

WASHINGTON — Celebrating Kim Dae Jung's personal victory over oppression, President Bill Clinton voiced confidence Tuesday that the South Korean president would lead a recovery of his nation's economy.

Early Tuesday, an attempt by loyalist troops to take a military complex in the capital had been repulsed by the rebels.

The head of the rebel forces, the former army chief, Ansumane Mane, proclaimed himself head of a military junta, and in a communiqué sent to the Portuguese news agency Lusa, called on General Vieira's government to resign.

General Mane, whose dismissal Saturday by General Vieira sparked the revolt, said he intended to set up a transition government to prepare for "free and transparent" elections in the West African state.

The statement was issued shortly after government troops apparently failed to storm a rebel stronghold in a military complex in the district of Bra, near the Bissau airport. A U.S. diplomat said government forces were withdrawing.

Lusa quoted the Portuguese ambassador in Bissau, Francisco Henrique da Silva, as saying that sporadic gunfire could be heard in various parts of the city.



President Bill Clinton guiding President Kim Dae Jung of South Korea down the stairs at the end of a White House welcoming ceremony.

outgoing administration of President Jimmy Carter and that of President Ronald Reagan interceded to save his life.

Once considered a dangerous radical back home, Mr. Kim demonstrated his endurance by winning the presidency in December. He was inaugurated at the age of 74 in February.

Concerns about the nuclear potential of North Korea were expected to dominate his visit here, coming just weeks after India and Pakistan tested nuclear weapons.

Mr. Clinton recalled standing on the Bridge of No Return at the demilitarized zone that separates South Korea from the Communist North and said he "imagined a future where people from North and South could walk freely across that bridge."

Mr. Kim has said an easing of sanctions against North Korea would help ease tensions on the peninsula. The White House says any such gestures should be conditioned on North Korean fulfillment of promises to shun nuclear weapons.

Japanese reactionaries' sustained talk about "suspected abduction" will only betray the miserable plight of Japan and invite public condemnation for Japan's putting into hands of the South Korean puppets."

The news agency added that "Japan is a war criminal state which plunged Asia into disasters." The agency published accounts of World War II atrocities by soldiers whom it referred to in English as "Japs."

Yet earlier Tuesday, in a sign of its willingness to improve relations in other areas, North Korea agreed to restore a channel of communication between its army and the United States-led forces at the demilitarized zone between North and South Korea.

The resumption of military talks, after seven years in which they were suspended, is not expected to lead to any breakthroughs, but it could help resolve any crisis that erupted in the tense border area.

North Korea had pulled out of the earlier military talks in 1991 when a South Korean general was put in charge, instead of the American officers who had previously represented the southern side. A long stalemate developed, but this year President Kim Dae Jung of South Korea agreed to put an American general in charge again, in the interests of boosting dialogue between the two sides.

No date was set for the resumption of military talks.

The Central News Agency said, "The

**VISITS: Setback to Ties Between Koreas**

Continued from Page 1

Japanese public has been embittered by the reports that Japanese were abducted, in some cases while walking along the beach, and smuggled to North Korea to serve as Japanese-language teachers or to allow their identities be taken over by North Korean spies.

The plight of Megumi Yokota, who was 13 years old when she vanished from the Japanese coast in November 1977, has particularly moved the Japanese public and created a major obstacle to any effort to improve relations. A defector from North Korea has said that Miss Yokota was abducted and has been living in the North.

North Korea announced a few days ago that it had conducted an exhaustive search for these 10 Japanese, checking birth dates and other information, but had found no sign of them. Yet instead of laying the issue to rest, as the North perhaps hoped, the investigation was immediately rejected by Japan.

"We want to obtain some clues to this problem," Deputy Foreign Minister Shunji Yanai said Monday, adding that Japan probably would not resume normalization talks with North Korea until there were some progress in finding the missing people.

North Korea responded to Mr. Yanai with a series of blasts and, apparently, with the suspension of the visits by the Japanese wives.

The Central News Agency said, "The

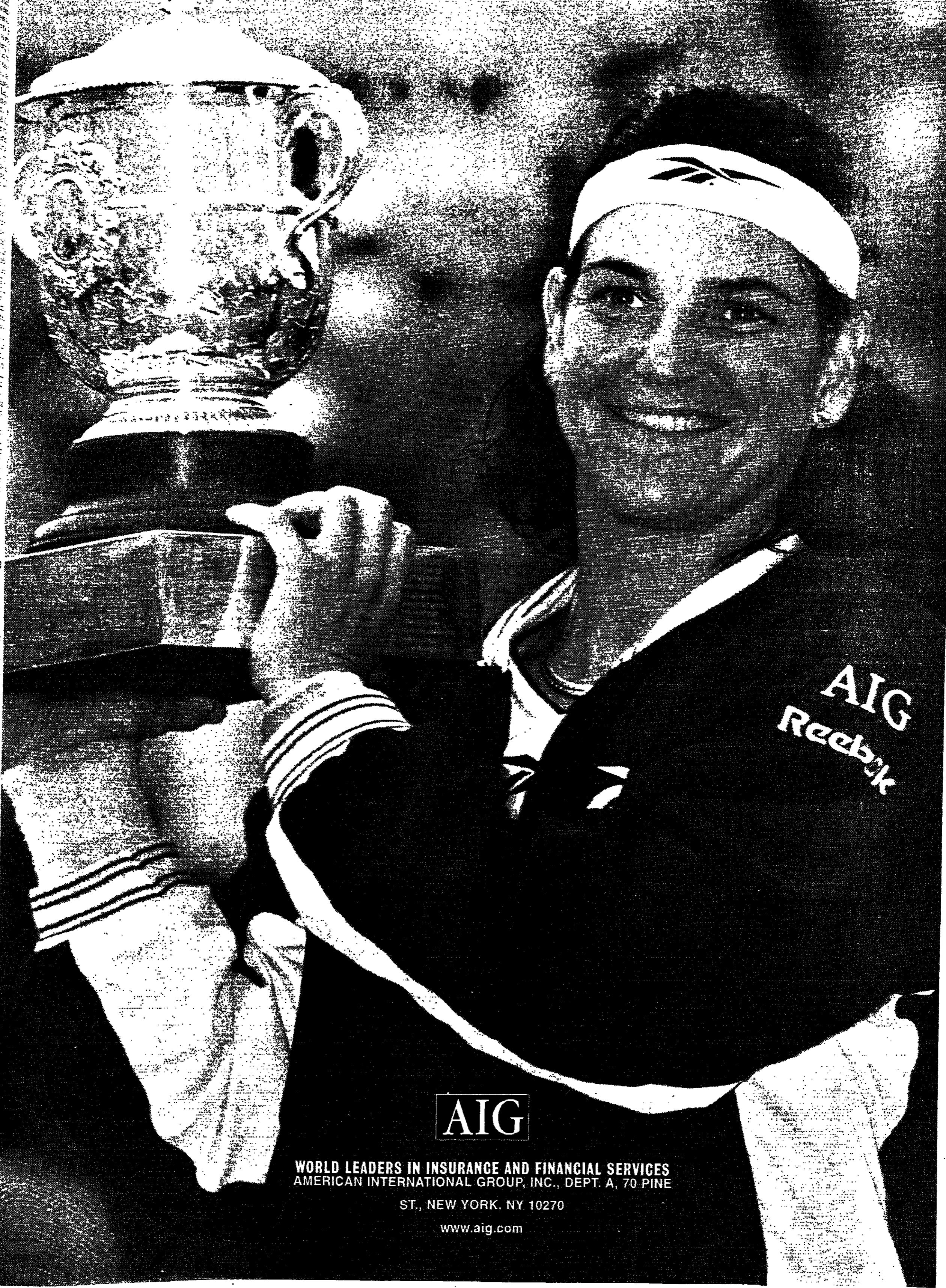
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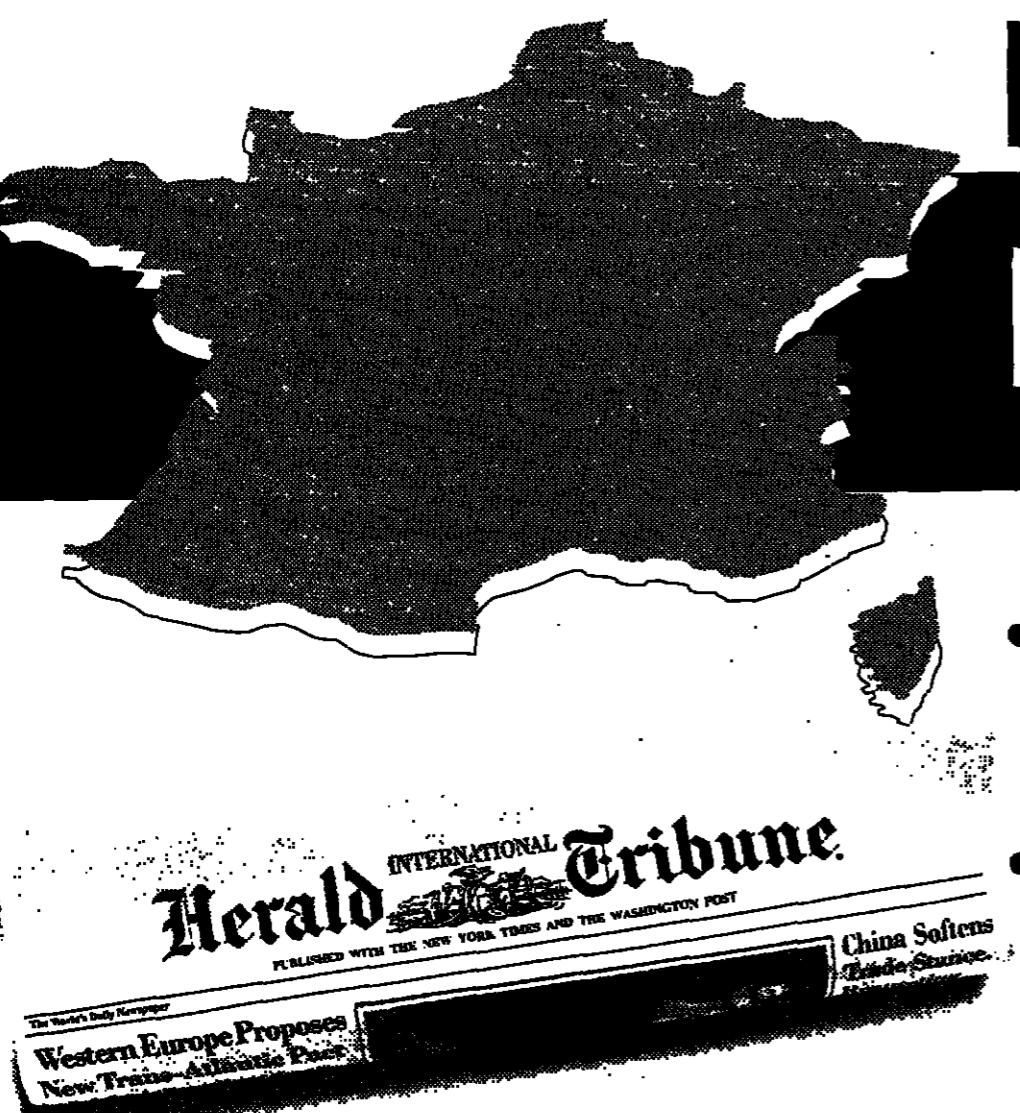
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## A Case for Force

The details of Slobodan Milosevic's latest outrage are beginning to emerge: 250 dead, hundreds more injured, 50,000 left homeless. Mr. Milosevic, the Serbian leader, has unleashed tanks and other heavy weaponry against defenseless villages in the independence-minded province of Kosovo. This is precisely the kind of ethnic cleansing that the Clinton administration had said repeatedly it would not allow. But its response so far is weak.

Kosovo is a province of Serbia that is 10 percent Serbian and 90 percent Albanian. Mr. Milosevic, by oppressing the Albanian majority, has unleashed the best recruiter for an independence movement. Now he proposes to crush that movement militarily, a fruitless endeavor but one that could spill war into neighboring Albania, Macedonia and beyond.

The United States, in response, has imposed sanctions, withdrawn sanctions and, on Monday, imposed sanctions again. But sanctions will not deter Mr. Milosevic, and sending NATO troops to patrol Kosovo's borders — another option under discussion — would only help him.

As British Prime Minister Tony Blair seems to realize, the Serbian dictator understands only the language of force. President Bill Clinton apparently understood that at one time, too, warning Mr. Milosevic that the United States would use force to keep him from solving this problem militarily.

But now that the issue is more than hypothetical, the White House seems eager to walk away from that commitment. National security adviser Sandy Berger said on Monday that use of force was not "at this point on the table." Subsequent clarifications by spokesmen did little to erase the dam-

— THE WASHINGTON POST

## Wrong About Drugs

Manhattan is filled this week with world leaders attending a well-intentioned but misguided United Nations conference on drugs. With drugs more plentiful and cheaper than ever worldwide, the leaders are mostly expelling failed strategies to combat the problem.

Pino Arlacchi, the Italian who heads the UN Drug Abuse Control and Crime Prevention Organization, is promising to eliminate coca leaf and opium poppies, the basis of cocaine and heroin, in 10 years. Such claims get in the way of effective programs to reduce drug use.

Mr. Arlacchi's proposal, which is likely to be approved, would attempt to cut drug cultivation by bringing roads, schools and other development to drug areas. The notion sounds reasonable, and it is surely better to help farmers than to finance a militarized war on drugs, which has torn apart societies and built up some of the world's most repressive armies. But elements of Mr. Arlacchi's plan are unrealistic and harmful. Half the funding would supposedly come from drug-producing nations themselves, an unlikely prospect. He would also make partners out of such abusive and unreliable governments as

— THE NEW YORK TIMES

## Teaching Them English

The success of California's Proposition 227, which is generally described as abolishing bilingual education, in fact does something more interesting. It radically alters the basic educational assumptions about how best to move non-English-speaking students toward success in school. Not the goal — bilingual education itself was intended to get students to par in English while letting them keep up in their subject classes — just the consensus on what best achieves that end.

As a resounding 60 percent victory, proponents of the change signaled their agreement that the new institutionalized means of reaching that goal should be scrapped and something new tried instead.

That the "something new" has a somewhat old-fashioned sound to it — a year of intensive English immersion for all children — does not necessarily mean that the new approach must duplicate the weaknesses of the past.

Those weaknesses included the notorious sink-or-swim approach by which students simply struggled, the strong catching on, the rest falling farther and farther behind.

The question to be tested by the new programs, assuming that they survive

— THE WASHINGTON POST

## America Needs to Patch Up Relations With Iran

By Thomas L. Friedman

WASHINGTON — On his way home from China, Bill Clinton ought to stop in Iran. Yes, Iran.

Looked at a map of South Asia lately? China's got the bomb, India's got the bomb. Let's see, who's next to Pakistan? Iran.

It is probably only a matter of time, a decade or less, before Iran, for its own geostrategic reasons, develops or acquires a nuclear device. Who knows, maybe Pakistan, reeling from sanctions, will sell Iran one. The only question is what regime will be in power in Tehran with its finger on the trigger.

A struggle is underway in Iran over exactly that question. The outcome of that struggle is a vital U.S. strategic interest. It must be defined as such.

If Iran obtains a nuclear bomb and the most radical ayatollahs are in charge there, it will further undermine stability in the Middle East. If Iran obtains nuclear technology and the moderate forces now on the rise there can consolidate their hold on Iranian politics, it is possible that Iran can once again be a bulwark for stability in the region.

It is time the United States stopped

debating whether to try to bolster the moderate — yes, moderate — new Iranian president, Mohammed Khatami, and started thinking about far-reaching ways to strengthen him and the popular forces behind him.

Washington should be doing everything it can to encourage U.S.-Iranian contacts, from soccer to diplomatic dialogues to cultural exchanges, and to lay out a specific road map of what it wants from Iran now, and what Iran could expect in return. It is time for a Nixon-to-China-like, bold U.S.-Iranian initiative.

Stopping, or at least slowing down, Iran's acquisition of nuclear technology must remain a top U.S. objective, even if it means sanctioning Russian nuclear-export companies. It is necessary for the stability of the Middle East, but it is not sufficient. If America focuses only on preventing Iran from going nuclear by isolating it, without also focusing on who in Iran has his finger on the trigger, it will be making a strategic blunder.

— The most important forces in Iran today are the students, the women and

the middle classes broadly defined," said Shaul Bakhash, an Iran expert at George Mason University. "Those forces, all of which are militating for a more open society and the rule of law, are strengthened today, not weakened, by Iran's economic development and its interaction with the West. The way to strengthen these forces further is by helping Khatami further open Iran internationally and develop it rapidly."

Nothing would advance U.S. interests in the Middle East more than if this struggle were won by those who want Iran to become a law-abiding member of the world community.

The United States cannot bring about an end to Saddam Hussein, or produce a radical Arab-Israeli breakthrough, or really prevent the spread of nuclear technology in the Middle East, without a different Iran.

Whether Iran is actually capable of being a pivot of stability is unclear. It needs to be tested. But the potential is there. Unlike elsewhere in the Middle East, in Iran the people are now leading a genuine movement for change.

The New York Times

## Seen From Israel, the Signs Point to a Nuclear Arms Race

By Yossi Melman

TEL AVIV — A few hours before Pakistan conducted its second series of nuclear tests last month, its radar screens identified enemy fighter planes resembling U.S.-made F-16s entering Pakistani airspace. India flies Soviet-made MiGs, so the Pakistanis concluded that the intruding blips were Israeli fighters preparing to attack their nuclear facilities on behalf of India.

Nowaz Sharif's government issued a strongly worded statement warning India of a "painful response" should India try to destroy its nuclear facilities. Meanwhile, it secretly contacted other top Indian scientists. Senior Israeli scientists reciprocated with visits to India.

The Israeli ambassador in Washington hurriedly telephoned his Pakistani counterpart to assure him that Israeli fighters were not in the area.

Pakistani fears of an Israeli strike were not groundless. Since 1972, when Prime Minister Zulfikar Ali Bhutto ordered his nation's nuclear physicists to build a bomb, Israel's worst strategic nightmares have revolved around an "Islamic bomb."

Israeli fears that Pakistan would share its nuclear know-how, technology and materials with other Muslim countries brought Israel and India closer

together. Before the two countries established full diplomatic relations, they clandestinely cooperated on defense and intelligence matters. In 1994, after India and Israel opened embassies in Tel Aviv and New Delhi, they formalized defense cooperation in an agreement. Since then, collaboration has intensified.

India's leading defense scientist, the nuclear weapons expert A.P.J. Abdul Kalam, visited Israel several times in 1996 and 1997, along with several other top Indian scientists. Senior Israeli scientists reciprocated with visits to India.

A few days after India tested its nuclear devices last month, a top-ranking delegation from the state-owned Israel Aircraft Industries toured India. The purpose of the visit was to accelerate the sale of Israeli-made pilotless aircraft and sea-to-sea missiles.

To some Israelis, including Prime Minister Benjamin Netanyahu, the Pakistani nuclear tests are just another manifestation of the monolithic Muslim world out to destroy the Jewish state. Iranian Foreign Minister Karmal Kharrazi's sudden visit to Islamabad to congratulate Pakistan for its achievement

— The writer, a journalist at the Israeli daily Ha'aretz, contributed this comment to the Los Angeles Times.

## China Has Made an Effort and Now Wants Its Reward

By David Shambaugh

BEIJING — Chinese-American relations seem to be back on track. A new, more positive atmosphere is apparent. Can the momentum be sustained and a more cooperative relationship established?

Discussions with Chinese civilian and military officials evince little of the hostility that was evident only a year ago. These officials seem satisfied that Washington is no longer attempting to "contain" China or undermine the Communist regime.

In security affairs, China has cut off its nuclear assistance and missile transfers to Iran and Pakistan; adhered to the parameters of the Missile Technology Control Regime, although it is not a member; become a supporter and full participant in the ASEAN Regional Forum on security; stopped criticizing U.S. military forces and alliances in

East Asia; refrained from further aggressive actions in the South China Sea and the Taiwan Strait; entered into broad-ranging military relationships with America and other nations.

China has demonstrated its commitments to international security by joining the nuclear nonproliferation treaty. The treaty banning nuclear tests, and conventions to outlaw chemical and biological weapons.

Beijing has joined Washington combat terrorism, organized crime, narcotics traffic, smuggling of migrants, piracy and environmental dangers.

To help ease tensions on the Korean Peninsula, China has contributed to humanitarian re-

lief in North Korea with food, medicine and energy; been a constructive partner in the four-party talks with the United States and North and South Korea to bring about a permanent peace treaty; worked to apply the alternative energy plan that has frozen Pyongyang's nuclear weapons development program.

In the Asian financial crisis, China has contributed several billion dollars to help Thailand and Indonesia stabilize currencies; held firm in not devolving the Chinese renminbi; refrained from meddling in Hong Kong's financial sector during its crisis; generally been supportive of efforts by the IMF to restructure Asian economies; taken several steps to stabilize its own economic problems.

Having met these and other American concerns, Beijing now says it is time for Washington to reciprocate.

Chinese officials and experts indicate that they would like lifted all remaining sanctions imposed by the United States after the 1989 killing of pro-democracy demonstrators in Tiananmen Square.

Beijing also wants Washington to support China's positions in the negotiations on its application to join the World Trade Organization.

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

## 1898: Colonial Wood

PARIS — An article in the "Temps" pointed to the reason why English colonies enrich Great Britain while French colonies impoverish France. Nearly all the wood used in paving the streets of Paris comes from Australia, and another British colony has just come forward to dispute the monopoly.

French possess hundreds of thousands of acres of forest land in her colonies, but no one looks after the sale of the wood, hence Paris is paved with wood supplied by England.

The writer is a Geneva-based international consultant on trade, development and international migration. His latest book, "Huddled Masses and Uncertain Shores," analyzes regular migration and the underground economy. He contributed this comment to the Herald Tribune.

The United States rendered a decision in Meucci's favor in 1888, declaring that the Bell telephone should be called instead after the Italian inventor. The Premier concludes, "We Italians must make another vindication by counting among the most splendid glories of our genius that of the inventor of the telephone, Antonio Meucci."

## 1948: Red Crisis

BELGRADE — Communist leaders in eastern Europe are facing a "crisis of quality," their parties are swollen with workers and peasants who have not shed their petty bourgeois backgrounds. Marjan Rakosi, general secretary of the Hungarian party, says in the organ of the Cominform, Rakosi proposes purges as a corrective measure plus contemporary non-acceptance of members and the raising of party educational standards.</p

## OPINION/LETTERS

## What's Doing in Washington? Not Much

WASHINGTON

Traveling in America's West for almost three weeks, I met dozens of people laboring under the impression that the nation's capital is consumed by scandal and accomplishing almost nothing.

Now that I'm back I can see that's a gulf, dead right.

Here are the things people in Washington were buzzing about on my return:

Monica Lewinsky has

changed lawyers.

President Bill Clinton,

back from Europe and eager

to leave for China, is fighting

the independent counsel

Kenneth Starr in the courts.

The Senate is hung up on

tobacco legislation.

The House, having failed to launch

a constitutional amendment to

restore prayer to public

schools, may or may not get

around to voting, once again,

on campaign finance reform.

The budget for next year,

which was due two months

ago, is still not finished.

Look at that list and you

can see why sensible citizens

from Odessa, Texas, to Davis,

California, shug with indifference

when the topic of the

federal government is raised

— if they are polite enough

not to grimace.

The economy everywhere

is thriving. "Help Wanted"

signs fill store windows and

enough already, they say.

By David S. Broder

managers tell you they are fighting each other for our-of-school students. The Harris poll reports that its "feel-good index" is at a high

The energy and optimism

of the private sector provide a

stunning contrast to the politi-

cal lethargy and sourness of

Washington. Congress will re-

cess for the July 4 holiday, and

then again in August, but

already politicians on Capitol

Hill are mumble about

"running out of time" to pass

even routine legislation, let

alone to tackle the more con-

tentious items on the agenda.

Stalling has become a way

of life in Washington. The

Republican National Com-

mittee puts out a press release

urging President Clinton to

"stop playing the 'delay

game." Democrats on Cap-

itol Hill blast the "do-nothing

Congress.

They are both right. Mr.

Clinton long ago decided his

best tactic for dealing with the

Starr investigation was to slow

it down, stretch it out, resist it

every step of the way. If one of

the goals was to bore the public

to death, it is succeeding. The

day by day shenanigans at the

federal courthouse, where the

Starr grand jury is sitting, have

become tedious to the voters.

Enough already, they say.

The same time-killing syn-

drome has infected Capitol

Hill.

Opponents of the tobacco

bill are throwing one non-

germane amendment after an-

other onto it, clearly hoping to

delay the day when all 100

senators will actually have to

vote whether to curb the in-

dustry's marketing machin-

isms. If they wait long

enough, they figure the House

will not get around to acting on

the measure — and they are

probably right.

Much of what is going on

with campaign finance re-

form on the House side. Op-

ponents there have flooded

the hopper with hundreds of

amendments. They know that

even if a bill emerges, the

later it is, the easier it will be

to filibuster it to death in the

Senate.

They are both right. Mr.

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day by day shenanigans at the

federal courthouse, where the

Starr grand jury is sitting, have

become tedious to the voters.

Enough already, they say.

One day he uses his chil-

dren's day-care legislation to

smite the Republicans; the

next it's a medical patients'

bill of rights.

Republicans are playing

the same politics for the ben-

efit of their core supporters.

They send a school vouchers

bill to the White House,

knowing it will be vetoed.

They make a show of trying to

restore school prayer, know-

ing they lack the votes. Tax

cuts and partial-birth abortion

bans are still to come.

These diversions may be

regarded as harmless, except

that they poison the atmos-

phere for constructive col-

laboration on things that ac-

tually matter.

The impasse has stripped

the United States of important

tools for exerting its leader-

ship in world affairs.

Last year, Congress re-

fused to give the president

"fast track" negotiating au-

thority to tear down barriers

to international trade.

The U.S. debt to the United

Nations remains unpaid be-

cause of deadlock over irre-

levant abortion policy, even as

America tries to use the UN to

handle international drug traf-

ficking, India-Pakistan nuclear

brinkmanship and ethnic strife

in the Balkans.

And Congress refuses to

help with additional funds for

the IMF, the mechanism for

dealing with currency prob-

lems that could destabilize

the world economy.

America does not lack the

resources to meet any and all

of these challenges. But it

lacks the leadership — as the

country clearly sees.

The Washington Post.

## The '60s Produced a Better America

By Richard Cohen

WASHINGTON — Thirty years ago this month I went to work for The Washington Post, having spent all of the previous decade either in college, in the army or working while going to school at night. I fashioned myself a '60s sort of guy and I had all the requisite experiences to back up my claim.

I was precisely the person the right wing blames for everything it doesn't like about America. Tough, I have no regrets.

In fact, I am proud of my generation — we scruffy druggies of myth and, with some people, fact. We are blamed

## MEANWHILE

for a whole lot now, but the reality of what America was like before my generation got its hands on the country came back to me on the anniversary of Robert Kennedy's death, and with the recollections of John Lewis, now a congressman but once a civil rights leader who got beaten up for insisting on being treated as an American. In 1965, in Alabama, that was not the sort of thing a black man did.

It was that conjunction, Kennedy and Lewis, that said so much.

By the time Robert Kennedy was killed in 1968 he had become America's foremost critic of President Lyndon Johnson's Vietnam policy.

Mr. Lewis, a one-time aide to Martin Luther King, had joined Mr. Kennedy in California for the primary. He was in Mr. Kennedy's hotel suite when, down below, the candidate was being murdered. The two personified the great struggles of the 1960s — civil rights and the anti-war movement.

Both causes triumphed in the end, and they were both frontal assaults on the system as it then existed.

When the '60s began, Jim Crow was still in place in much of the South.

contraceptive devices — never mind abortion — in some other states.

It was not until the 1972 Supreme Court decision *Eisenstadt v. Baird* that the right to contraception was extended to unmarried people. A year later, the court made abortion a right as well. Until then, the alley was where many women went.

I had nothing to do with any of this, not the sexual revolution, not the civil rights revolution, not the anti-war

movement. I cheered, often silently, as others challenged the status quo, often risking, and sometimes losing, their lives. Bobby Kennedy in a way was one. So were James Chaney, Michael Schwerner and Andrew Goodman, civil rights activists murdered in Mississippi in 1964.

They wanted blacks to be able to vote. The '60s were a time for fools, for sure. But it was the

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# Angelique Kidjo Is on a Mission

## A Whirlwind From Benin Rebels Against the Inevitable Labels

By Mike Zwerin  
*International Herald Tribune*

**P**ARIS — Angelique Kidjo is on what she calls a mission to “rehabilitate” the world’s image of voodoo. Voodoo comes from Benin, where she was born and raised. Slave ships left from the coast near her village: “Voodoo has a bad reputation. Why? Because the colonialists found that the voodoo religion brings our people together. They didn’t want that.”

When she heard Jimi Hendrix sing “Voodoo Child,” she said to herself: “To be big and black like that in London in the ‘60s and to sing about Voodoo Child was courageous.” She covers it on her new album “Oremi” (Island).

If a European rock band adds percussion, and/or an oud or a finger piano, they are considered to be going back to the roots. But when African musicians put a synthesizer and funk licks into the mix, purists say they are crossing over into pop music for the money.

The crossover problem seems to get worse and worse. Crossover can be defined as stylistic foul play. It is being said that Kidjo’s music has crossed over from the world music category. Into exactly what, however, she is not sure: “I’m an African person bringing my culture to the Western world. I am using technology. And rhythm and blues. And jazz. I make it available for you by combining your tools with mine. But then they say it’s not pure.”

Her albums sell something like 100,000 copies worldwide. Island Records wants to promote her as a rhythm and blues act. She has been called the “African funk diva of world music.” It was after one of her long tours (she has even toured Australia). She just

thought about it. Who are the people who decide what names to give all of those categories? Who thought up “African funk diva” for instance? Somebody secure in the knowledge of exactly what everything really is; and that it can all be conveniently divided up.

People who consider themselves to be “purists” make Kidjo laugh. “I used to argue about this sort of stuff but it’s too stupid. Nature provides variety. Nature is not pure, for godsakes. You cannot go against nature. There is nothing ‘pure’ in this whole world.”

Her father ran a photography studio. Her mother was a theater producer and choreographer. Angelique started dancing at age 6. After her brother formed a rock band, her father bought equipment for them and they rehearsed at home.

“Come and do your homework,” her mother would say.

“I can’t. I’m listening to music,” Angelique would reply.

Imitating a succession of spent-energy pants, Kidjo tongue is hanging out. In the air-conditioned comfort of her record company’s conference room, she describes the crush and the heat and the fatigue she felt when surrounded by a crowd of admirers in the airport, when she came to Benin for a rare visit home.

The people at the airport all wanted her to notice them. They wanted to touch her. A small West African country, Benin does not boast many international stars. There are girls in West Africa who dress and cut their hair like her; a prize is awarded in Benin for the best imitation of Angelique Kidjo.

It was after one of her long tours (she has even toured Australia). She just

wanted a quiet visit with her family like anybody else. Unfortunately that is no longer possible. She makes the best of it. A small, energetic woman, always on the move, she went dancing, wrote songs, talked to the media, hung out with her girlfriends from school. “You’re crazy,” one friend told her. “You come home to rest and then you never stop.”

“I’ll have plenty of time to rest when I die.”

She writes her songs by singing them into a tape recorder and her French husband, who plays the bass, programs them into a computer: “Thank God he’s here, and thank God for computers.”

She’s always asking him to work faster: “This is your revenge for slavery,” he says. “I’m your slave master.”

“What do I know about computers? Computers are for white people.”

“If this is slavery,” he smiled, “I’m in heaven.”

She describes her husband as “damn white. He can’t even take a tan. People ask me, ‘How can you marry such a white man?’ I say ‘He’s just a man. I don’t see any color.’”

Red is the only color she recognizes, everybody has red blood: “Do you think it would be better if we all looked the same? Just one color everywhere would be so boring.”

“Oremi” is the first album of a trilogy-in-progress geared to the black Diaspora. Released last month, it speaks to African Americans. So that she can say: “I know what I’m doing, writing for you guys,” she worked on most of “Oremi” in America. Bradford Marsalis plays on it.

Volumes two and three will be dialogues between Africa — “the mother

continent” — and Brazil, Cuba, Haiti and New Orleans: “I will go to each place to look at the lay of the land. Then I will think and meet people and the real sense will only come when I start working.”

She switches effortlessly between English and French (she sings in French, English, Yoruba and Fon, her native tongue): “Je suis une aventuriere.” (A verbal adventurer for sure — she appears to love to live on the border of the politically incorrect.)

Now in her 30s, Kidjo left Benin for Paris in 1983 to study law. Then she began to sing and record music that would be classified as “Afro-funk” and “Afro-jazz fusion.” The idea for the trilogy came after seeing the TV series based on Alex Haley’s “Roots.”

**P**URISTS criticize her music: “It isn’t African any more,” they say. Why do they have to put us all in the same hole?” she asks, shaking her head and repeats, disbelieving: “Afro-funk! What do you call English music? Please tell me so that I can explain my music to you. Does anybody ask the Rolling Stones if they play English music?”

“I don’t know what to call the music I’m making. I just put everything I’ve got together. Bingo. If it’s a tabla, put it there. A violin? It goes here. I don’t want to think about it. What are all these categories about, anyway? Why don’t they just file all the records in one category from A to Z?”

Now there’s a simple solution to the crossover problem. Want Kidjo? Just look in the K bin. “Music brings us all together,” she says. “But then they try to put it through the eye of a needle.”

Angelique Kidjo: “There is nothing ‘pure’ in this whole world.”

# Film Casts a Harsh Light on a Driven Priestess of Grunge Rock

By Jon Pareles  
*New York Times Service*

**N**EW YORK — Courtney Love has a genius for alienating people. That’s one indisputable fact that emerges in “Kurt and Courtney,” a new documentary by Nick Broomfield.

Ex-boyfriends, ex-employees, acquaintances and even Love’s father are more than happy to say nasty things about her. Many accuse her of complicity, or worse, in the death of her husband, Kurt Cobain, who brought grunge punk to the American masses as the leader of Nirvana. “Horny” and “vampire” are two of the gentler descriptions of Love. The film is almost enough to create a backlash of sympathy for her. Almost.

Cobain’s death in April 1994 and Love’s subsequent trans-

formation from a grunge Fury to a designer-dressed movie actress have left her stranded between pop-culture archetypes. Is she a conniving would-be star who used her music and husband as stepping stones to fame? Is she an ex-punk who, unlike Cobain, couldn’t resist selling out to Hollywood success? Or is she, as some of the people in “Kurt and Courtney” believe, a character out of film noir, coldly plotting the death of her naive husband to get her hands on his money?

Broomfield, the drolly subjective narrator of his own film, went to Seattle to report on Cobain’s life and death. Cobain was officially ruled a suicide; he was found dead from a shotgun blast, with heroin in his blood and a handwritten letter and identification near his body. Love refused to be interviewed by Broomfield, and refused to allow the use of Nirvana’s songs in the film; her clout apparently caused Showtime to withdraw financing from Broomfield part way through the project.

Dave Grohl and Krist Novoselic of Nirvana are also absent. Broomfield was left with tales of conspiracy to murder and conflicting interpretations of the evidence at the death scene and hearsay about Love’s intense interest in her husband’s will.

In the film, Love is no charmer. Several people interviewed in the film insist that Love has something terrible to hide. (One, El Duce of the Mentors, asserts that Love offered him \$50,000 to withdraw from the project.)

to kill Cobain, says he knows who “whacked” Cobain and is found dead shortly afterward, spurring more conspiracy theories.) There are, however, some possible alternative explanations for Love’s stonewalling. Perhaps she had been talking about Cobain’s will because she was worried about his committing suicide or overdosing. She had recently had their child, Frances, and many people make wills when children are born.

Perhaps she didn’t want to discuss Cobain’s death for the film because the topic was painful for her, or because she thought she had said enough in a public memorial during which she read his final letter in tears. Perhaps, after flaunting all sorts of things about her past to the press, she was having second thoughts about doing any more interviews. Perhaps she wanted the whole thing to go away.

Even under ordinary circumstances, the punk-rock underground is not exactly a hotbed of judicious diplomacy. Cobain and Love moved in a sphere filled with junkies, hustlers, sociopaths, groupies and freeloaders, not to mention artists: surrounded by people who were on the make, self-destructive or both. Sleaze was everywhere, and so was a bizarre theatricality. Broomfield is properly skeptical about most of the people he interviews: corroborating evidence for their stories, he shows, is hard to come by.

Exaggeration, not understatement, goes with the punk territory, where obnoxiousness can be a sign of creativity. As her band, Hole, was making itself known, Love was the woman who might take off her clothes or say anything, blurring out the thoughts that nice girls had. She preferred attention to privacy, and she was at least as ambitious as any other songwriter who’s convinced that the world needs to hear her.

**B**UT now Love, like her observers, is stuck between irreconcilable archetypes. She’s rich, famous and too well documented for her own comfort. When she acts up now, there are paparazzi and gossip columnists waiting to tell the world. And what was unexceptional behavior in the punk-rock sphere can now be presented as ominous foreshadowing by her embittered father. Cobain’s suicide note suggests that he couldn’t handle the pressure of being a commercial blockbuster while trying to stay pure in his music. His widow isn’t doing so well, either. Many people who thought Hole’s first two albums were startlingly honest feel duped or disgusted by her transformation: There’s a difference between maturing and turning into a high-gloss phony. Hole’s new album, due in the fall, has a lot riding on it. Does the millionaire actress have anything to say to the people in the mosh pit?

# Mom in the Wings: Play Agent Nurtures Writers

By Mel Gussow  
*New York Times Service*

**N**EW YORK — Flora Roberts is one of the last of the red-hot play agents, a fiercely independent woman who has gone her own way in a world dominated by corporate agencies. In a career of almost 50 years, she has been a formidable talent spotter. She is artful in her choice of clients — mostly writers, like Stephen Sondheim, Tina Howe and Alfred Uhry — and sharp-sighted in her assessments of their strengths. She is a kind of dramaturge in the guise of an agent.

Roberts has never hesitated to speak her mind. “I’m very rough on clients,” she said recently. “I was once reprimanded very strongly by a playwright because I spent an hour telling him what was wrong with his play. He got sadder and sadder and finally said, ‘Would you mind telling me one good thing about the play?’ I said: ‘I’m terribly sorry, I just assumed that if I was spending so much time talking to you, it would be obvious the play was worth a rewrite. Otherwise, I would have simply said forget it.’”

For her, “writers are causes.” Howe, the author of “Pride’s Crossing,” said, “She’s a woman of enormous style, heart, experience, courage, intelligence — a real original.”

With other agents, that might be considered an overstatement. With Roberts, the description fits her like one of her large red hats or her first name.

In terms of style, her flamboyance approaches the folksy. She speaks in a gravelly basso, somewhere between Tallulah Bankhead and Harvey Fierstein. She is short and poly-poly.

Sondheim is Roberts’s longest-running client. She met him in the early 1950s when he was writing his first show, “Saturday Night.” Many musicals and a Pulitzer Prize later, they are still working together.

“What distinguishes her from other agents,” Sondheim said, “is that she cares more about the work than about the contract. She’s interested in nurturing the careers of her clients.” Her comments are diffuse, he said, and he makes her write them all down.

Her role varies from client to client. With Sondheim, she is more of a sounding board than a catalyst. She would never suggest that he rewrite a lyric, but she might suggest the placement of a song. With “Company,” she proposed that “Side by Side by Side” be moved from the second act to the end of the first, to give the lead character more definition. It made a major difference in the musical.

Legend has it that she made a creative contribution to “West Side Story.” She denied it, except to say that she gave Arthur Laurents, author of the book, a list of 16 suggestions: “He said 12 of them were idiotic, but four of them might save the show.”

Although most of her clients are writers, she also represents a few directors (like Susan



Flora Roberts, a formidable spotter of talent, has guided some big careers.

Stroman) and designers (like Jennifer Tipton).

“I really love most of my clients,” she said. “That’s a privilege when you’re on your own.”

With an almost equal passion, she loves horses. She frequently goes to Belmont Park, and she owns a racehorse, Allaway, now retired, and its progeny Beloved B and Flora’s Personal Boy. At the track, she plays her favorites, betting on horse named “Comedy Tonight” because Sondheim wrote a song by that title. Naturally, she bet on it to show, and it did. She also took a flier on horses named Fred Astaire and Curtain Going Up.

When betting on plays and playwrights, she also relies on instinct and on her assessment of form and potential. She said, “I gamble on the theater every day.”

She remembered that time Frank Loesser asked her to speak to a composer friend of his who had written, in Loesser’s words, a musical that was historical and very uncommercial: “This little man came into my apartment. He banged the piano and sang ‘Sit Down, John, and I got goose bumps.’ The composer was Sherman Edwards, and the show was ‘1776.’ She signed him up im-

mediately but told him his book lacked humor and would have to be rewritten. She led him to Peter Stone (who was not her client), because he shared an interest in history.

And in one eventful day, Joseph Papp gave her both Howe and Miguel Pinero, telling her, “I want you to take care of my poets.” Pinero, who was a prison inmate before he became a prize-winning playwright, called her Big Lady and told her, as he told others to whom he felt indebted, that if she ever needed protection, “you call me, I break their legs.”

SKED whether she had made any mistakes, Roberts remembered that many years ago Mary Rodgers wanted to write a musical based on Wilder’s “Merchant of Yonkers.” Roberts said that was ridiculous. Wilder was a wonderful playwright, and Rodgers should leave his plays alone. Years later, of course, Jerry Herman transformed the play into “Hello, Dolly!”

Before she became an agent, Roberts wanted to be a diva. As a young woman, she studied at the Manhattan School of Music and sang with Schola Cantorum. Amico Toscanini heard her sing, and he said, she recalled, “Molta musica, but a small voice.” In a loud,

hoarse whisper, she said, “I thought I had a very large voice.” She switched to torch songs, which she still sings at parties and for friends.

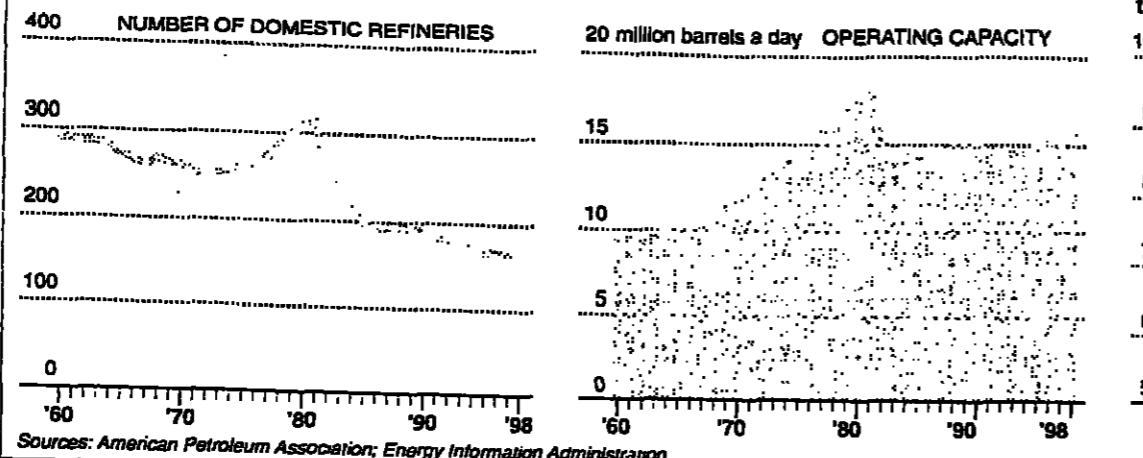
As a music student at Hunter College in the early





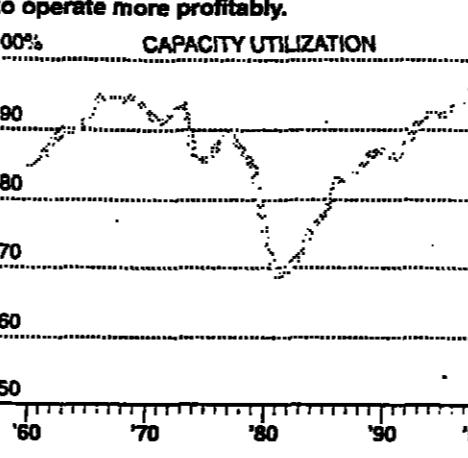
**A Tight Market** For the first time in two decades, it may make sense to add a new American oil refinery.

Many refineries have been driven out of business...



Sources: American Petroleum Association; Energy Information Administration

...allowing the survivors to operate more profitably.



## China Banker Warns Against a Weak Yen

*Statement Raises Fears of Yuan Devaluation*

*Created in Our Staff from Japan*

BEIJING — The governor of China's central bank warned Tuesday that a weak yen was having a severe impact on Beijing's foreign trade, focusing attention once again on a Chinese pledge not to devalue its currency.

In an address to a financial seminar, Dai Xianglong, the head of the People's Bank of China, did not explicitly rule out a devaluation of the yuan in response to the tumbling yen.

Mr. Dai simply noted promises that China had made in the past not to devalue the currency as a reaction to the financial crisis in Southeast Asia. He made clear that Beijing expected Tokyo to halt the slide of its currency.

"The economic adjustment in Southeast Asia and the sluggish Japanese economy, especially the depreciation of the Japanese yen," Mr. Dai said, "have had very unfavorable effects on China's imports and exports and inflow of funds."

"The recent sharp depreciation of the yen is detrimental to the financial stability and economic adjustment in east Asia and increases pressure on China's exports," he added.

Nor did Mr. Dai suggest that the yuan is in danger.

"China's international balance of payments is good," he said. "The yuan remains stable."

But economists say China's export-driven economy will not be able to meet government targets of 8 percent growth unless the authorities devalue the currency to bolster competitiveness against Japan and such other nations as Malaysia and South Korea, which have been forced to devalue.

The deputy foreign trade minister, Sun Zhenyu, said China's exports in the first quarter already demonstrated the strain of regional crisis, with exports to members of the Association of Southeast Asian Nations falling 9.8 percent, exports to Japan off 3.1 percent and exports to South Korea down 24.5 percent.

Analysts grew suspicious of China's ability to defend the yuan after the central bank delayed releasing foreign exchange reserve levels for April.

"Since March, the People's Bank of China has not released the foreign exchange reserves figure," an analyst at ABN-AMRO Bank of the Netherlands said. "The market is worried that the level has dropped."

A central bank official said the data were not released because the figure had not changed drastically, "so we saw no need to report it."

A yuan devaluation could spark a vicious new round of currency depreciations in Asia and ultimately spread the regional economic crisis to other areas of the world. (Reuters, AFP)

## Oil Refiner Hopes to Disprove His Critics, Again

By Agis Salpukas  
New York Times Service

NORCO, Louisiana — Rivals have tried to buy him off, creditors have gotten lawyers to try to cow him, investors have needed him about going through bankruptcy twice, his own son has accused him of being a poltroon and many in the energy industry here shake their heads at the mention of his name.

But John Stanley, known as Jack in the oil patch, is a hard man to keep down.

At his sprawling oil refinery here recently, Mr. Stanley, 59, showed a visitor the view from the top of the new coking

unit. "There's \$2 billion worth of equipment here," Mr. Stanley exulted.

To hear Mr. Stanley tell it, that \$2 billion worth of equipment is his ticket to the heights of the U.S. energy market

### INTERNATIONAL MANAGER

for his privately held TransAmerican Energy Corp. By the end of the summer, the towering coking and cracking units are expected to be going full blast, converting 230,000 barrels (31,080 metric tons) of crude oil a day into kerosene, diesel fuel, heating oil — and 5.5 million gallons (20.9 million liters) of gas-

oline. It will be the largest single addition of new capacity in U.S. domestic refining in two decades.

This could become the jewel in Mr. Stanley's corporate crown. But the Massachusetts native nearly lost the huge complex on the banks of the Mississippi in bankruptcy proceedings that began in 1983 and dragged on for four years.

Throughout that battle, the refinery sat idle — even as Mr. Stanley deflected his creditors' demands to sell it and talked a court into letting him spend \$100 million in it operating condition.

That was not his first brush with financial disaster. Ten years earlier, he had also filed for protection from creditors when the price of ammonia plunged — shortly after he built an ammonia plant.

But far from turning Mr. Stanley into the soul of prudence, judiciously building up a cash reserve for the next rainy day, those setbacks only spurred him to take even bigger gambles. Almost immediately after his first bankruptcy, he poured \$800 million into an initial modernization of his refinery here. After the second, he spent six years paying off \$1.37 billion in debt and then put together \$900 million financing — mostly in "junk" bonds — to upgrade the plant to its current state.

"Jack has more perseverance than anyone else I know," said Ed Donohue, TransAmerican's chief financial officer. "He knew the value of the assets."

The question now: Will he strike out yet a third time, seriously damaging the fortune he has re-amassed, or will his latest gamble provide him with even greater riches?

One thing going for him is that the refinery will be one of just a handful in the country that can efficiently process the thick, low-grade oil that is produced in abundance in Mexico and Venezuela and sells for as little as half the price of lighter crudes. That could give Mr. Stanley a big competitive advantage regardless of what happens to oil prices.

Mr. Stanley has always been quick to

spot a money-making opportunity. In college in 1958, he took a job pumping gas in a tough neighborhood of Springfield, Massachusetts, and, after seeing how much cash poured in, leased the station and managed it himself. To save money, he did almost everything —

See **REFINERY**, Page 17



John Stanley in front of his refinery, which reopens this month.

## Duisenberg Soothes Fears on Inflation

By John Schmid  
International Herald Tribune

FRANKFURT — Wim Duisenberg, nine days into his job as head of the European Central Bank, used his debut public appearance in the role Tuesday to speak reassuringly of Europe's inflation outlook.

"Inflation tendencies so far seem to remain rather subdued," Mr. Duisenberg said after the inaugural gathering of the central bank's 17-member governing council. Money supply, a leading indicator of potential inflation, similarly cannot "be called excessive" with a growth rate of about 5 percent in the 11-nation bloc that will launch the single currency, the euro, on Jan. 1.

Mr. Duisenberg's soothing comments reinforce the view that interest rates in many of the 11 euro countries, notably the large economies of Germany and France, will remain low at around their current levels for the near future, economists said.

Low lending rates should help propel the economic recoveries that only recently have begun to take root in those

nations, economists said. The policy-setting council of the Bundesbank meets Wednesday.

Alison Cottrell, economist at PaineWebber International in London, said, "For the big economies like Italy, France, Germany and Spain, the numbers like headline inflation are impressively well behaved."

The calm start of the new bank's work clashes sharply with the tumult that accompanied its birth in May, when European Union politicians cut controversial political deals over the leadership of the bank, which will serve as linchpin of the common currency project.

Appearing under the central bank's logo — an "E" set in a familiar blue EU circle of 12 stars — Mr. Duisenberg said tedious nuts-and-bolts "organizational manners" like staff salaries dominated the first week of work in the Eurotower in Frankfurt. "After nine days, so far, so good," he said.

Shattering the calm briefly if unintentionally, Mr. Duisenberg sent the price of gold into a tailspin. Bullion prices plunged 1 percent after the central banker announced that gold reserves

likely would account for no more than "10 to 15 percent" of the new bank's reserves. Gold fell by \$3.10 to close at \$295.30 an ounce in New York after his remarks.

The price of gold, which has been battered for months, recovered recently on speculation that the bank's gold holdings would comprise well over 20 percent of its assets. Mr. Duisenberg's remark reawakens fears among investors that central banks might swamp international markets by dumping their unneeded gold reserves.

For months, investors have been playing a guessing game about where pan-European interest rates will converge when the euro unites the 11 nations into a single economy in January. Even before Mr. Duisenberg spoke Tuesday, many economists have begun revising their forecasts downward, many of them calling for an interest rate intersection below 4 percent.

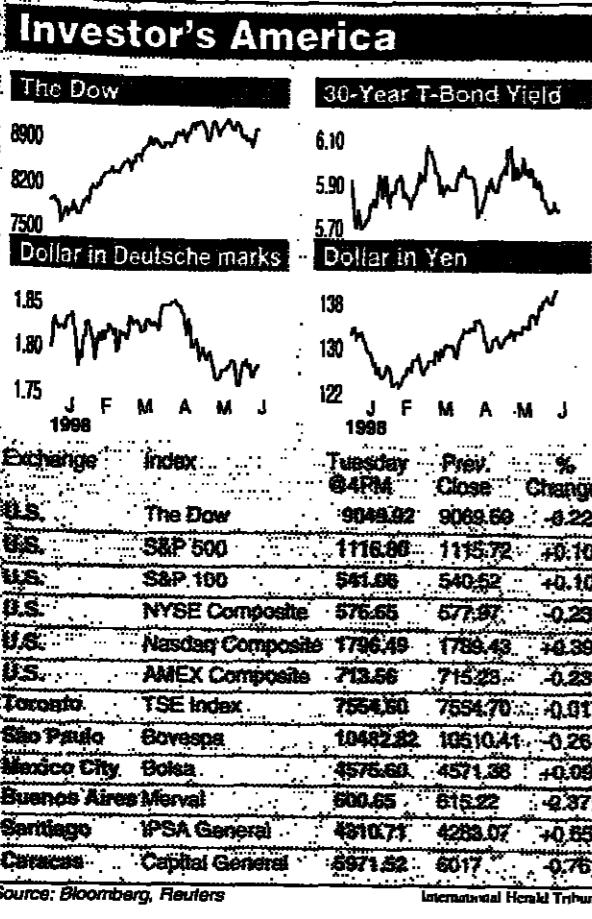
The process of interest rate convergence is running smoothly, Mr. Duisenberg said. The differentials are "not a major issue of concern for the remaining months of the year," he said.

### CURRENCY & INTEREST RATES

#### Cross Rates

	£	U.S.	F.F.	Yen	DM	Sw.	Fr.	Yen	DM	Sw.	Fr.
Amsterdam	2.005	1.2782	6.0381	117.44	—	5.641	1.2758	1.0284	1.0255	—	—
Brussels	3.648	2.0823	6.11	20.65	16.38	1.4078	2.0812	1.7404	1.7404	—	—
Frankfurt	1.775	2.906	—	—	—	1.4078	2.9027	2.4712	2.4654	2.360	2.4245
London (G)	2.906	1.8023	1.2023	2.0207	1.8023	1.2023	2.0207	1.7051	1.7051	1.2023	—
Paris	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (F)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (G)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (I)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (S)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (U)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (W)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (X)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (Y)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (Z)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (A)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (B)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (C)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (D)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (E)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (F)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (G)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (H)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (I)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (J)	1.672	1.2736	1.0255	1.2736	1.0255	—	1.2736	1.0255	1.0255	—	—
Paris (K)											

## THE AMERICAS



## Intel Suit: An Odd and Difficult Case to Prove

By Michael M. Weinstein  
New York Times Service

**NEW YORK** — Antitrust laws are designed to protect an industry from monopolists that use predatory or other illegal tactics to extinguish rivals. The odd feature of the antitrust complaint brought by the Federal Trade Commission against Intel Corp. is that it accuses the chipmaker of victimizing putative rivals that are also customers.

In separate instances involving Intergraph Corp., Compaq Computer Co. and Digital Equipment Corp., Intel is accused of withholding technical data about its processors from companies that were designing computers around Intel chips.

What will make the government's case difficult is that only one of those companies — Digital — ever seriously competed with Intel. What is more, the information that Intel freely acknowledges it withheld from those companies had no direct bearing on any area in which they competed with Intel.

The question, antitrust experts say, is whether the commission can

create a strong factual case for its accusations. Given the oddity of the charges, that task will not be easy.

Intel controls more than 80 percent of the market for the microprocessor brains of computers. When it designs a new chip, Intel gives advance information to its

customers — computer manufacturers — to give them time to design machines that will run the next generation of Intel's processors.

Intel acknowledges that it withheld vital information from Intergraph, Digital and Compaq, with which it was engaged in continuing patent disputes, but it says that it was not about to share intellectual property with customers that were suing it over intellectual property.

The company argues that it is not compelled by antitrust laws to reveal proprietary information to customers that could exploit that information in subsequent patent disputes.

The commission says that while the three companies may have indeed been customers, they were

also rivals and that it is illegal for a monopolist to exploit its market power to force them to cave in to Intel's patent demands.

Intel insists that its hardball tactics are in pursuit of business objectives that were perfectly legitimate.

The dispute with Intergraph, for example, was a negotiation between buyer and seller. Intel wanted a free license to use Intergraph's chip technology. Intergraph wanted proprietary information. Intel asserts that the government has no business intruding on this negotiation.

Carl Shapiro, an economics consultant to Intel from the University of California at Berkeley, acknowledges that there might be areas of rivalry — Digital, for example, produces a microprocessor that competes with Intel's Pentium chips in a limited market — but argues that the behavior under challenge by the commission is overwhelmingly limited to the relationship between the chipmaker and its customers.

William Baer, the director of the trade commission's Bureau of

Competition, says that it is unlawful for monopolists to injure rivals without an efficiency-enhancing business justification — for instance, resulting in lower prices or better products.

In fact, Mr. Baer says, Intel's decision to waive the three manufacturers was done only to compel the companies to settle their patent dispute on Intel's terms.

But to win its case, the commission must show that Intel not only hurt rivals, if any of the three companies are in fact rivals, but that it hurt competition in the microchip industry.

That could mean proving that Intel's behavior drove its rivals into extinction. It could mean showing that Intel's behavior persuaded rivals to spend less on research and development, thereby undermining its ability to innovate as fast as Intel. Or it could mean showing that Intel's behavior convinced actual and potential chipmakers that they could not survive because any computer company that needed to do business with Intel would be punished if it also bought chips from Intel's rivals.

## G-7 Concern Gives Yen A Small Lift

Compiled by Our Staff From Newspapers

**NEW YORK** — The dollar slipped against the yen Tuesday amid concern that Asia's worsening economic slowdown would compel officials from the Group of Seven to discuss bolstering the yen at a two-day meeting in Paris.

Official declined to comment on the discussions, which they had said would focus on Russia's economic problems.

"Everyone's a little cautious about buying the dollar right now because of all these political events," said Jeff Berger, director of foreign exchange and commodities at AlliedSignal Inc. "I think the

### FOREIGN EXCHANGE

yen will get a little stronger before the dollar resumes its rise."

Earlier, the dollar surged against the yen as the market continued to test the resolve of the Bank of Japan, but nervousness about possible central bank intervention limited gains.

"If they think 140.00 yen is too weak, they have to intervene in the market," said Takanobu Igarashi, senior economist at Sanwa Bank.

But Mr. Igarashi said intervention would only buy Japan time. "To change the trend in such a weak yen you need fundamental change in Japanese policies," he said.

The dollar was at 140.26 yen in late trading, down from 140.67 yen.

The dollar made limited gains against the mark after a mixed batch of economic data came out of Germany. While the unemployment rate in May slid below 11 percent for the first time in 2 years, industrial production data for April was weaker than many analyst expected.

The dollar was at 1.7800 Deutsche marks, up from 1.7795 DM.

But it fell to 1.4760 Swiss francs from 1.4795 francs. The dollar was unchanged at 5.9685 francs.

The pound was at \$1.6365, up from \$1.6340.

Japanese officials have said for months that they were concerned about the decline of the yen and were prepared to take action if it fell too far, and Finance Minister Hikaru Matsunaga said Monday that he had strong concerns about the yen weakening beyond 140 per dollar.

The Bank of Japan recently intervened to buy yen in early April, spending more than \$20 billion in the process.

(Bloomberg, Bridge News)

### Very briefly:

• AT&T Corp.'s customers will be able to pay their bills over the Internet this year, using Checkfree Corp.'s electronic commerce service. Financial terms were not disclosed.

• The American Stock Exchange offered to merger with the Philadelphia Stock Exchange. Terms were not disclosed.

• Greyhound Lines Inc.'s passenger ticket sales rose 8.9 percent in May, to \$45.1 million, over May 1997. The number of passengers increased to 1.32 million from 1.27 million.

• International Data Corp., a market researcher, cut its growth forecast for personal computer shipments worldwide in the second quarter to 9 percent from 10 percent.

• Wal-Mart Stores Inc. persuaded a judge to order PT Multipolar Corp., owned by Lippo Group of Indonesia, to stop its lawsuit in Jakarta over a failed joint venture while the companies arbitrate their dispute in the United States.

• Northern Telecom Ltd., a phone-equipment maker, and Microsoft Corp. have teamed up to sell modems and software to phone companies to provide high-speed Internet access.

• Ultramar Diamond Shamrock Co. is to sell or close about 300 gasoline station/convenience stores, cut 466 jobs and take a second-quarter charge of about \$78 million.

• Sprint Corp.'s wireless-phone venture has signed five affiliates to offer its service under the Sprint PCS brand name in the Midwest and Southeast.

Bloomberg, Reuters

### Anti-Virus Software Company Sold

Bloomberg News

SANTA CLARA, California — Network Associates Inc. agreed Tuesday to buy Dr. Solomon's Group PLC, Britain's No. 1 maker of anti-virus software, for \$642 million in stock.

Network Associates will offer 0.82875 shares for each American depositary share of Dr. Solomon's. The transaction values each Dr. Solomon's ADS at \$34.81, an 8.4 percent premium on its closing price of \$32.125 Monday.

The International Herald Tribune World Stock Index tracks the U.S. dollar value of 280 internationally investable stocks from 25 countries.

Compiled by Bloomberg News.

### The Trib Index

Prices as of 4:00 P.M. New York time.

	Jan. 1, 1992 - 100	Level	Change	% change	year to date	% change
<b>World Index</b>	195.76	— 0.08	— 0.04	+ 13.74		
<b>Regional Indexes</b>						
Asia/Pacific	81.81	+ 0.31	+ 0.38	+ 14.74		
Europe	238.93	+ 1.29	+ 0.54	+ 23.77		
N. America	249.10	+ 1.48	+ 0.80	+ 15.33		
S. America	135.43	+ 1.61	+ 1.17	+ 11.28		
<b>Industrial Indexes</b>						
Capital goods	242.20	+ 1.37	+ 0.57	+ 17.25		
Consumer goods	232.51	+ 1.76	+ 0.76	+ 10.86		
Energy	212.87	+ 3.49	+ 1.61	+ 9.19		
Finance	141.74	+ 0.26	+ 0.18	+ 15.27		
Miscellaneous	151.31	+ 2.38	+ 1.65	+ 0.95		
Raw Materials	211.33	+ 2.18	+ 1.02	+ 26.35		
Service	206.83	+ 0.50	+ 0.24	+ 18.66		
Utilities	170.57	+ 2.37	+ 1.37	+ 2.22		

The International Herald Tribune World Stock Index tracks the U.S. dollar value of 280 internationally investable stocks from 25 countries.

Compiled by Bloomberg News.

### AMEX

#### Tuesday's 4 P.M. Close

The 200 most traded stocks of the day up to the closing on Wall Street.

The Associated Press.

Stock	Sales	High	Low	Last	Chg.	Chg.
IndraSoft	461	136	120	126	+ 16	+ 1.75
Intertech	100	100	95	97	+ 1	+ 0.10
Intertech	443	18	16	18	+ 1	+ 0.05
Intertech	528	100	90	100	+ 10	+ 1.00
Intertech	1025	100	90	100	+ 10	+ 1.00
Intertech	1825	100	90	100	+ 10	+ 1.00
Intertech	201	100	90	100	+ 10	+ 1.00
Intertech	242	100	90	100	+ 10	+ 1.00
Intertech	243	100	90	100	+ 10	+ 1.00
Intertech	244	100	90	100	+ 10	+ 1.00
Intertech	245	100	90	100	+ 10	+ 1.00
Intertech	246	100	90	100	+ 10	+ 1.00
Intertech	247	100	90	100	+ 10	+ 1.00
Intertech	248	100	90	100	+ 10	+ 1.00
Intertech	249	100	90	100	+ 10	+ 1.00
Intertech	250	100	90	100	+ 10	+ 1.00
Intertech	251	100	90	100	+ 10	+ 1.00
Intertech	252	100	90	100	+ 10	+ 1.00
Intertech	253	100	90	100	+ 10	+ 1.00
Intertech	254	100	90	100	+ 10	+ 1.00
Intertech	255	100	90	100	+ 10	+ 1.00
Intertech	256	100	90	100	+ 10	+ 1.00
Intertech	257	100	90	100	+ 10	+ 1.00
Intertech	258	100	90	100	+ 10	+ 1.00
Intertech	259	100	90	100	+ 10	+ 1.00
Intertech	260	100	90	100	+ 10	+ 1.00
Intertech	261	100	90	100	+ 10	+ 1.00
Intertech	262	100	90	100	+ 10	+ 1.00
Intertech	263	100	90	100	+ 10	+ 1.00
Intertech	264	100	90	100	+ 10	+ 1.00
Intertech	265	100	90	100	+ 10	+ 1.00
Intertech	266	100	90	100	+ 10	+ 1.00
Intertech	267	100	90	100	+ 10	+ 1.00
Intertech	268	100	90	100	+ 10	+ 1.00





## Thais Ready Sale of 20% Of Airline

Reuters

BANGKOK — Thailand set the stage Tuesday for the sale of more than a fifth of its national airline as part of efforts to restructure its economy along lines suggested by the International Monetary Fund.

The cabinet agreed in principle to sell 335 million shares in Thai Airways International PCL, a senior government official said.

Supachai Phitsanovich, the Finance Ministry's permanent secretary, said the sale would be made up of 235 million existing Thai Airways shares owned by the government and 100 million new shares.

At current prices, the sale would add about \$300 million to national coffers.

The sale will be via private placement, Akapol Soraschart, a government spokesman, said. He added that the shares would be aimed at possible "strategic partners" and also at institutional investors.

The sale will reduce the government's stake in the carrier to 71.5 percent from about 93 percent, Mr. Supachai said. He added that the timing and price of the sale had yet to be decided.

Under economic reform guidelines agreed with the IMF this year, Thailand proposed to accelerate the privatization of its national industries, including several strategic national companies.

Shares in Thai Airways, Bangkok Petroleum PCL and Electricity Generating PCL are all scheduled to be sold this year. In 1999, the government has promised to sell several other national bodies, including telecommunications companies.

Several foreign airlines have been considering purchasing a stake in Thai Airways, analysts say, including British Airways PLC and the U.S. carrier Northwest Airlines Corp.

### REFINERY: After Two Brushes With Disaster, Maverick Hopes to Strike It Big

Continued from Page 13

repairing cars, haggling with suppliers and even delivering the fuel in a rented tanker truck.

The business did so well that by the late 1970s Mr. Stanley had built up one of the largest independent networks in the United States, the 230-unit Gasland chain.

Along the way, he reacted to adversity with a decisiveness that bordered on impulsiveness.

When a gasoline supplier refused to renew a contract in 1971, he paid \$2.1 million for the old refinery here, 1,300 miles (2,100 kilometers) from home, because owning it gave him a sense of security.

### ALLIES: Yeltsin and Kohl Vow More Policy Cooperation

Continued from Page 1

Germany is Russia's closest European political ally, and Bonn's support is important as Moscow seeks financial support from the International Monetary Fund.

Additionally, Mr. Kohl likes to depict Mr. Yeltsin as a personal friend, seeking to base his diplomacy on a network of personal relationships typified by his long-standing friendship with the late French president, François Mitterrand and by his protestations of a special friendship with President Bill Clinton.

Because of the personal relationships, though, it is often difficult to disentangle diplomacy from domestic politics.

Mr. Kohl, in particular, faces the nettlesome problem of winning an unparalleled fifth term of office in landmark elections next September.

As when he met President Clinton last month, Mr. Kohl was accused by his Social Democratic electoral opponents of stage-managing media coverage by barring television cam-

## Insurers' Incomes Fall in Japan

Bloomberg News

TOKYO — Toho Mutual Life Insurance Co. and many more midsize Japanese life insurers said Tuesday that income from policies plunged in the past business year as the first collapse of an insurer since World War II prompted customers to pull out their money.

Of eight life insurers reporting earnings Tuesday — all unlisted companies that range in size of assets from 1.5 trillion yen to about 7 trillion yen (\$10.6 billion to \$50 billion) — six said that premium income fell in the year ended March 31.

Five of the companies saw their assets shrink over the year as cancellations soared and the number of new contracts plummeted.

Toho Mutual's earnings were the hardest hit of Japan's 16 major life insurers. During the year to March, Toho's assets plunged 33

percent to 3 trillion yen. Premium income tumbled 13.1 percent to 521 billion yen.

The company's shaky financial state earned it a rating of "very poor" from Moody's Investors Service Inc. in November, the lowest of Japan's 16 largest insurers. Toho alone failed to reach capital levels deemed adequate by the government.

"It's been an extremely tough business environment," said Ichinose Yoshiya, managing director of Nippon Dantai Life Insurance Co., which had assets worth 3.6 trillion yen as of March 31, a decline of 9.6 percent from the previous year. The company's premium income fell 1.4 percent to 662.5 billion yen.

Fleeing customers, along with other problems that have dogged Japanese life insurers for years, may eventually prove too much for

some of the weakest companies, analysts said. That's especially true as Japan's "Big Bang" deregulation gives banks and other companies entry into the protected insurance market.

Nissan Mutual Life Insurance Co. collapsed in April 1997 with liabilities outstripping assets by 10 percent. That failure made customers wary of keeping their money in insurance policies, especially because many of Nissan Mutual's 1.2 million policyholders ended up with a 50 percent cut in the interest they were promised.

Their woes have made Nissan Mutual and Toho Mutual attractive to foreign companies that want to get a foothold in Japan's insurance market, the world's second largest. In February, a subsidiary of General Electric Co. agreed to purchase Toho's sales business for up to 70 billion yen.

## KOREA: Fear of a Weak Yen

Continued from Page 1

Japanese economy, and as a result of the depreciation of the yen, the Japanese can enlarge markets and have power."

That view has spread rapidly across Asia as the yen has plummeted in recent weeks, raising fears in particular that China will be forced to devalue its currency, a move that would trigger a new round of devaluations and financial turmoil across Asia.

Mr. Ohn said South Korean exports would decrease by slightly more than 0.6 percent for every 1 percent drop in the value of the yen against the dollar.

Harshest hit, he said, would be the shipbuilding industry, where South Korea's Hyundai Heavy Industries Ltd. has emerged in recent years as the world's largest producer of merchant vessels against heavy competition from Japan.

Hyundai has amassed enough orders to prosper past the turn of the century, but it is diverting profits to other companies in Hyundai Group, the largest of the South Korean *chaebol*, or conglomerates, and may suffer declining orders in the next six months as buyers turn to Japan.

"The Korean shipbuilders have lost their competitiveness," Mr. Ohn said. "If the yen depreciates more, they will lose still more," but the industry will not feel the impact right away.

Economists questioned if South Korea's auto industry, dominated by Hyundai Motor Co., Daewoo Motor Co. and Kia Motors Co., could survive in its present form even before the depreciation of the yen.

Kia, now in receivership, hopes that Ford Motor Co., which owns 16.9 percent of its shares together with Mazda Motors Corp. will increase its investment to as much as 51 percent. Both Daewoo Motor and Daewoo Heavy Industries, which manufactures a mini-car separately from Daewoo Motor, are negotiating with General Motors Corp.

As prices of Japanese cars gradually decrease worldwide, however, the question is whether large foreign companies will still be interested in investing in South Korea or whether South Korean vehicles can still compete in overseas markets.

The devaluation of the yen has been visible this month in the widely varying response of South Korean semiconductor makers to the worldwide glut of memory chips.

Samsung Electronics Co., the world's largest producer of memory chips, has suspended its production for a week while Hyundai Electronics Industries Co., South Korea's second largest semiconductor manufacturer, will resume production Thursday after a one-week suspension and is considering a second suspension next month. LG Semicon Co., the No. 3 in the field, said it would probably follow the example of Hyundai and Samsung.

In contrast, none of Japan's five semiconductor manufacturers has announced plans to close its lines.

"Naturally the depreciation of the yen gives them price competitiveness," said Hwang Soon Hwa, general manager of Hyundai Electronics' memory division. "We have to match their prices."

## RUSSIA: Statistics Chief Charged With Corruption

Continued from Page 1

Center on Economic Policy here, a research institute. "We know the levels they report you have to take with a big dose of salt."

But Vladimir Kryzhev, a deputy speaker of the lower house of Parliament, said that the shadow economy "does not rise and fall, because of Goskomstat. This is the same as charging the head of the state weather service with a crime because there are floods."

Goskomstat compiles extensive and detailed information about Russian companies. The Federal Security Service, the successor to the Soviet KGB, said that Mr. Yurkov was accused of "distorting statistical data on enterprises, which enabled those enterprises to avoid taxation."

Russia has been struggling to cope with widespread and continuing tax evasion.

Sergei Aristov, deputy head of investigations in the prosecutor's office, said Mr. Yurkov had sold information that belonged to the state.

### CROSSWORD

**ACROSS**

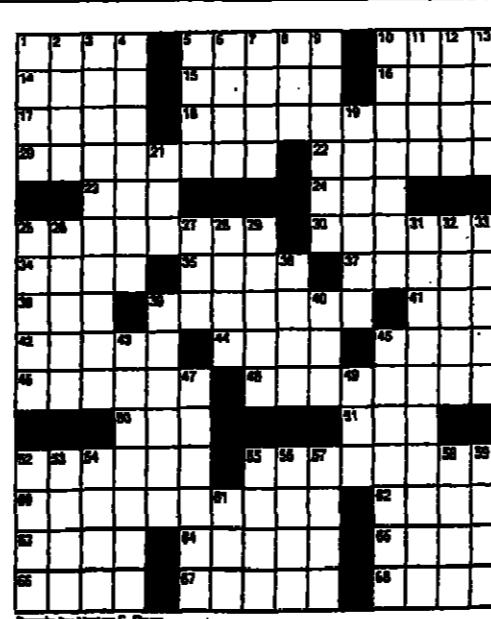
- Portend
- Shopaholic's watchword
- Small denomination
- Priority letters
- Tri'l partner
- "Oh, were it not 'nestr!'
- Gershwin's "It Necessarily So"
- 1911 Stravinsky ballet
- Flirt
- Blackstar
- Short-lived Egypt-Syria union: Abbr.
- O.E.D. item
- 25 Lands on the Persian Gulf
- 30 After-exercise refreshers
- 34 Having a pillow
- 35 Choir voice
- 36 Roy Music co-founder
- 38 Roy
- 39 1841 Adam
- 41 Chinese "way"
- 42 Nostalgic look
- 43 Tart
- 44 Unbinding
- 45 Chopin specialty

**DOWN**

- Brick---
- Oberlin locale
- 1899 Minuscule
- River's end
- Important school mo.
- Porter
- Highly collectible lithographer
- Nether's partner
- Star Wars" characters
- Amount Santa comes
- Like some textbook publishing
- 24 O.E.D. item
- 25 Lands on the Persian Gulf
- 26 After-exercise refreshers
- 27 Having a pillow
- 28 Family reunion activity
- 29 1945 Prokofiev ballet
- 30 Kan. neighbor
- 31 Head start
- 32 Actress Patricia et al.
- 33 Camera part
- 34 Dak. once
- 35 Kind of fund
- 36 Cud
- 37 Tchaikovsky ballet, with "The"
- 38 With all one's might
- 39 Some fine porcelain
- 40 Hodgepodge
- 41 Hawk of Hollywood
- 42 "Le --- des oygnes"
- 43 Stock up on again
- 44 Halo
- 45 Longs (for)
- 46 Check
- 47 80's-90's hip-hop star
- 48 War
- 49 Mud
- 50 Cram
- 51 Doomed
- 52 Riga
- 53 Urt
- 54 Ratio
- 55 The Last Emperor
- 56 Alte Oast
- 57 Arg. Forests
- 58 Kim
- 59 Leroi
- 60 Aec
- 61 Nana
- 62 Alife For The Czar
- 63 Rest
- 64 Ruit
- 65 Loopy
- 66 Met
- 67 Bethune
- 68 Ots
- 69 Tear Rons
- 70 Chickens
- 71 Larking
- 72 Plink
- 73 Alone
- 74 Onin
- 75 Cadge
- 76 Cpus
- 77 Attia
- 78 Sweet
- 79 Hess
- 80 Lost

Solution to Puzzle of June 9

**SLAT** **CRAM** **DOOME**  
**HAIR** **RIGA** **URTON**  
**USDA** **ITER** **RATIO**  
**THE LAST EMPEROR**  
**ALTE OAST**  
**ARG FORESTS** **KIM**  
**LEROI** **AEC** **NANA**  
**ALIFE FOR THE CZAR**  
**REST** **RUIT**  
**LOOPY**  
**MET** **BETHUNE** **OTS**  
**TEAR RONS**  
**CHICKEN** **ALARKING**  
**PLINK** **ALONE** **ONIN**  
**CADGE** **CUPS** **ATTIA**  
**SWEET** **HESS** **LOST**



### REPUBLIC OF LEBANON

#### MINISTRY OF MUNICIPAL AND RURAL AFFAIRS

#### COUNCIL FOR DEVELOPMENT AND RECONSTRUCTION

#### SOLID WASTE / ENVIRONMENTAL MANAGEMENT PROJECT

#### INVITATION TO TENDER

#### CAZA OF BAALBECK

PACKAGE 8.a: CONSTRUCTION OF A SANITARY LANDFILL

The Republic of Lebanon has received a loan (No. 3899-LE) from the International Bank for Reconstruction and Development (IBRD) towards the cost of the Solid Waste / Environmental Management Project (SWEMP) for Lebanon and intends to apply part of the proceeds of this loan to cover eligible payments under the contract for the above-mentioned package for the caza of Baalbeck.

The Government of Lebanon, represented by the Ministry of Municipal and Rural Affairs and the Council for Development and Reconstruction (CDR), invites sealed bids from eligible contractors for the construction of a sanitary landfill including earthmoving works, concrete works, structural steel works, and waterproofing works using geomembrane (HDPE) / geotextile.

This project will be administered by CDR, based upon the World Bank's guidelines. Contractors who have already undertaken similar projects are invited to apply for the above-mentioned project and will be subject to Post Qualification according to the criteria stated in the bidding documents.

Bidding documents may be purchased at the Council for Development and Reconstruction, Tallet el Serail, Beirut, Lebanon, phone: 961-1-981431/2, facsimile: 961-1-864494, for a non refundable fee of US\$ 500 (five hundred) or its equivalent in a freely convertible currency in the form of a banker's certified check in the name of the Council for Development and Reconstruction starting on Wednesday 10 June 1998. Interested bidders may obtain further information at the same address.

Bids shall be valid for a period of 90 days after Bid opening and must be accompanied by a security of US\$ 50,000 (fifty thousand) or its equivalent in a convertible currency, and shall be delivered to: Council for Development and Reconstruction, Tallet el Serail, Beirut, Lebanon, on or before twelve o'clock (noon, Beirut local time) on Friday 24 July 1998. Bids will be opened at twelve o'clock (noon, Beirut local time) on the same day in the presence of the bidders who wish to attend.

## Investor's Asia

Hong Kong	Singapore	Tokyo
Hang Seng	Straits Times	Nikkei 225
1173	1750	17800
1013	1650	17000
1025	1450	16400
9230	1300	15000
875	1150	15200
8000	1000	14500
J F M A M J	J F M A M J	J F M A M J
1998	1998	1998
Exchange	Index	Tuesday
Hong Kong	Hang Seng	Close
		Prev. Change
		8,381.46 8,586.63 -2.27
Singapore	Straits Times	
		1,127.21 1,128.57 -1.01
Sydney	All Ordinaries	
		2,623.80 2,642.80 -0.72
Tokyo	Nikkei 225	
		15,530.17 15,284.71 -1.54
Kuala Lumpur	Composite	
		505.64 497.79 -1.58
Bangkok	SET	
		308.25 312.37 -1.32
Seoul	Composite Index	
		398.22 345.06 -1.33
Taipei	Stock Market Index	
		7,455.63 7,591.27 -1.79
Manila	PSE	
		1,924.49 1,930.59 -0.32
Jakarta	Composite Index	
		411.07 403.42 -0.40
Wellington	NZSE-40	
		2,088.14 2,104.40 -0.80
Bombay	Sensitive Index	
		3,458.97 3,416.73 -1.10

Source: Telekurs

International Herald Tribune



WEDNESDAY, JUNE 10, 1998

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WORLD ROUNDUP



Boris Becker heading for defeat against Hendrik Dreekmann.

Becker Loses

**TENNIS** Boris Becker lost to a fellow German, Hendrik Dreekmann, in three erratic sets Tuesday at the Gerry Weber Open in Halle, Germany, and then said he wouldn't play Wimbledon.

Becker fought off five match points, but handed the world No. 101 the match with a double fault, 6-3, 5-7, 7-6 (11-9) at the grass court event.

"A Wimbledon start would have made sense with a good performance in Halle, but not with a first-round loss," Becker said.

In his first match since winning the French Open, Carlos Moya coasted past Guillaume Raoux of France, 6-4, 6-4. Alex Corretja, who lost to Moya in the final at Roland Garros, fell to Nicolas Escudé of France, 6-2, 7-5.

"This year's been pathetic for me and I just haven't been there at all," said Philippoussis. "I'm just very confused at the moment. It's like I'm not hungry any more, and it's not a good feeling at all."

American qualifier Doug Flach, ranked 222, surprised the Czech Republic's Daniel Vacek 4-6, 6-1, 6-3. (Reuters, AP)

All Blacks Pick Randell

**RUGBY UNION** Taine Randell was confirmed as the new All Black captain when the New Zealand selectors announced the team to play England later this month.

Randell, a 23-year-old loose forward, was appointed to succeed Sean Fitzpatrick. Randell, a Maori, was captain of the national secondary schools team, the national juniors, his provincial team in Otago, at 19, and was the midweek captain for New Zealand in South Africa. (Reuters)

Forget Gloom: Jazz  
Put on a Happy Face

Game 4 Task: Play Smart Against Bulls

By Selena Roberts  
New York Times Service

**CHICAGO** — The Utah Jazz coach, Jerry Sloan, came strolling onto the floor as cheerful as a bluebird on the morning after his team had suffered the worst defeat in playoff history. He stopped with a smile and said, "Hello, everyone," with the glee of a morning show host.

Not exactly the look of doom. The typically glum Sloan chuckled as he called the film of his team's humiliating 96-55 loss to the Bulls on Sunday in Game 3 of the National Basketball Association finals a cartoon.

"We're going to get a couple of tables so our guys can lay back in the training room and rest while we watch film, just in case someone gets sick," Sloan said before the Jazz practiced Monday.

Maybe this was the best way to deal with disaster. If Sloan had acted as if the Bulls were so superior to his team, the Jazz might not have a psychological chance of showing up for Game 4 on Wednesday night.

"We have, as you know, a very competitive coach," John Stockton said. "He's ready to go again this morning. So we're ready to go."

So the Jazz spent the day focusing on what can be done differently.

And that boils down to one simple goal: play intelligently. The Jazz may not be as physically menacing as teams from the East, but Sloan's players have succeeded against the Bulls by keeping their heads no matter how much chaos Scottie Pippen and Chicago's defense try to cause.

"They shut our pick-and-roll, but we had four or five shots that, if we make

those, it puts a different light on it," Sloan said. "We also have to take the shots. I think John Stockton got over there and took one early, but then didn't after that."

"You've got to attack the basket and put it away or you lose confidence. If a guy misses a layup, then it's, well, I can't make a jumper."

More than missed shots, Utah missed assignments. The Jazz players, slow to get to their spots on the floor, botched four out-of-bounds plays that resulted in turnovers.

In 13 years, Utah has not altered its pick-and-roll formula. And Sloan is not going to start now.

"I can't hide that we'll run certain plays and everyone knows it," Sloan said. "You've got to grit your teeth and be more persistent in making it work."

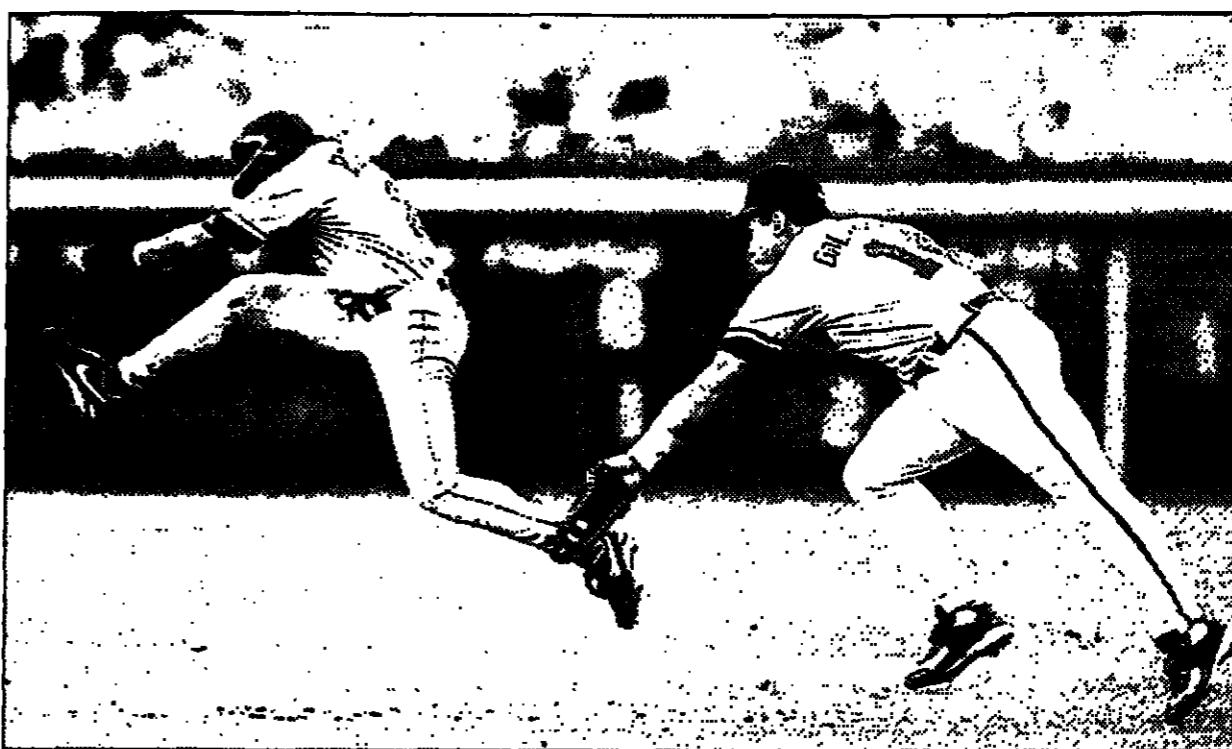
Part of playing under pressure. If the Bulls coach, Phil Jackson, is going to unleash Pippen to roam the floor, Stockton is going to have to make him pay with an illegal defense.

"If a guy comes across the lane and you go right to him, it's not illegal, because he's come to help," Stockton said. "By maintaining your patience offensively and not charging right at him, then he's across the lane and it's very visible. Again, there's no finger-pointing, except on us and how we executed. You have to have the patience and the faith in your offense to take care of itself."

No one on the Jazz appeared to have lost faith after Game 3. No one even appeared to lose sleep.

"What time does the game start Wednesday, 8 o'clock?" Sloan said.

"All right, then, we'll try to be here."



Troy O'Leary of the Red Sox leaping over a grounder hit past first base and into right field for a single.

Cubs Roll Into First on Sosa's Bat

He Ties Club Record With a Home Run in Fifth Consecutive Game

The Associated Press

There's no stopping Sammy Sosa and the Chicago Cubs these days.

Sosa tied a team record by homering in his fifth consecutive game as the Cubs won their 10th straight, 8-1, in Minneapolis on Monday night.

The streak has moved the Cubs into a tie for first in the National League Central with Houston.

Sosa's homer, in the third off Minnesota's LaTroy Hawkins (3-6), was his 20th of the season and 11th in the last 10 games. The other Cubs to homer in five straight games were Hack Wilson in 1928 and Ryne Sandberg in 1989.

The Metrodome crowd chanted "Sammy, Sammy" when Sosa came to bat and starting pitcher Mark Clark got a standing ovation from the fans behind the first-base dugout when he left in the ninth inning.

"Everywhere there are Cubbies fans cheering for us and more now that we've won 10 in a row and are in first place," said Jose Hernandez, who homered for the third straight game. "We haven't done that in a long time."

In fact, the Cubs haven't done that since 1970. And they are 14 games over .500 (38-24) for the first time since they finished the 1989 regular season 92-69.

But Chicago has to share the honors of hottest team in the majors with the San Francisco Giants, who also won their 10th straight, beating Seattle, 4-3.

"You want to ride this high as long as you can," said the Giants' starter, Danny Darwin, who won for the fifth time in his last six decisions.

The 42-year-old Darwin (6-3) allowed three runs in 6 1/3 innings against the slumping Mariners, who fell a season-low nine games below .500 (27-36).

Rich Aurilia homered against Randy Johnson (5-5), who allowed four runs in seven innings.

**White Sox 8, Cardinals 6** Mark McGwire hit his major league-leading 29th homer, but Jeff Abbott's three-run triple led Chicago to victory. McGwire, who has 13 homers in his last 17 games, raised his league-leading RBI total to 73 with his two-run shot in the fourth.

McGwire's presence helped the White Sox draw more than 23,000 fans for the third time in 26 home dates.

Jason Bere (3-5) got the victory and Mark Pettikovsek (3-3) was the loser.

**Mets 3, Devil Rays 2** Rick Reed took a perfect game into the seventh inning and finished with a three-hitter, and Mike Piazza homered off Dennis Springer (2-10) to lead New York at home.

Reed (7-3), who struck out 10 and had his first shutout in six years, retired the first 20 batters before Wade Boggs doubled.

BASEBALL ROUNDUP

**Braves 7, Red Sox 6** Atlanta rallied for three runs in the bottom of the ninth to stun Boston.

The Braves started their rally off the Red Sox closer, Tom Gordon, who gave up RBI singles to Keith Lockhart and Chipper Jones. John Wadsworth (3-3) then relieved and gave up a two-run double to Andres Galarraga, an RBI single from Ryan Klesko and the game-winning single to Andruw Jones.

**Marlins 4, Blue Jays 3** Todd Zeile hit the home run the winning run to cap a bizarre 17th inning as Florida snapped an 11-game losing streak.

Toronto appeared to take a 4-3 lead in the top of the 17th when Felipe Crespo scored from first on a two-out double by Carlos Delgado. But the Marlins argued that Crespo missed third base and the

plate umpire, Tom Hallion, upheld the appeal and ruled him out, ending the inning. Television replays showed that Crespo appeared to touch the inside of third base on his way to the plate.

**Orioles 14, Phillies 8** Rafael Palmeiro and Brady Anderson each had four RBIs as resurgent Baltimore set season highs with 14 runs and 18 hits.

Palmeiro, who has 10 RBIs in his last eight games, hit a two-run homer in Baltimore's four-run sixth off Darin Winston (2-2).

**Athletics 7, Dodgers 3** Blake Stein (2-3), making just his sixth big-league start, allowed five hits and struck out 10 in 8 1/3 innings for host Oakland.

Jason Giambi hit a three-run homer in the seventh off Ramon Martinez (7-3).

**Rangers 3, Rockies 1** Domingo Cedeo homered and drove in all three Texas runs, and Aaron Sele became the majors' second nine-game winner.

**Reds 9, Tigers 5** Carl Everett homered and hit a two-run double to cap a five-run ninth for Houston at Detroit.

The Astros scored all their ninth-inning runs off reliever Todd Jones (0-2). Doug Henry (4-2) pitched two innings for the victory.

**Indians 8, Pirates 0** At Cleveland, Jim Thome hit a three-run homer and drove in four runs and Bartolo Colon (5-4) pitched a four-hitter for his second shutout.

**Royals 8, Brewers 7** Jose Offerman homered and hit his league-leading seventh triple as Kansas City snapped a four-game home losing streak.

**Padres 4, Reds 2** At San Diego, Joey Hamilton (4-7) allowed two runs in eight innings to break his career-worst six-game losing streak.

Disabled Pro, Cart Fixed, Qualifies for U.S. Open

By Clifton Brown  
New York Times Service

**CINCINNATI** — Casey Martin qualified Monday for the U.S. Open, fulfilling another dream and returning his remarkable story to the national stage.

Martin, 26, who successfully sued the PGA Tour earlier this year for the right to use a cart in competition, prevailed on the second hole of a sudden-death playoff off the U.S. Open sectional qualifier at Clovernook Country Club. By making a 25-foot birdie putt on the 36th hole of competition, Martin won a five-man playoff for the last available spot and earned a berth in the U.S. Open at the Olympic Club in San Francisco next week.

Martin, who suffers from Klippel-Trenaunay-Weber syndrome, a rare circulatory ailment, will become the first golfer to ride a cart in the Open.

On Monday, the odds were against Martin at Clovernook, with 67 golfers vying for five qualifying spots. During Martin's third hole, his specially designed one-seat cart stalled, forcing him to walk for two holes, before the cart could be restarted. But Martin shot a 2-under-par 138 over 36 holes of regulation before winning the playoff. It was his fourth attempt to qualify for the U.S. Open.

Martin will become a focal point of attention next week, especially since PGA Tour players were divided on whether he should be allowed to use a cart. Martin has used a cart on the Nike Tour this year, but the Open will be his first taste of competing against the world's best players.

So far, the 17th hole of the Klippel-Trenaunay-Weber syndrome, a rare circulatory ailment, will become the first golfer to ride a cart in the Open.

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# INTERNATIONAL Herald Tribune

# WORLD CUP

WEDNESDAY, JUNE 10, 1998

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## WORLD CUP BRIEFS

### Korea May Share

South Korean soccer officials said Tuesday that they had obtained government approval to discuss sharing some matches in the 2002 World Cup with North Korea.

South Korea and Japan will be co-hosts of the games, but South Korea hopes to share some of its 32 matches with North Korea.

The vice-president of North Korea's soccer association, Choi Pyung-Ju, told the Sports Seoul daily that Pyongyang was interested in Seoul's proposals.

"It is not yet the stage to go into details with the South, but it would be very desirable to form a joint team and for some of the 2002 World Cup finals to be held in the North," Choi said. (AFP, AP)

### Chelsea Signs Desailly

Chelsea completed its second international signing in 24 hours on Tuesday when it agreed to pay AC Milan £4.6 million (about \$7.5 million) for Marcel Desailly, the French defender and midfielder. The deal was completed at the French team's World Cup training camp. On Monday, Chelsea signed the Spanish international and Barcelona right back Albert Ferrer. (AP)

### The Oldest and Youngest

Jim Leighton, the Scottish goalkeeper, will be the oldest player in the World Cup. Leighton, 39, is 22 years older than the youngest player at the World Cup, Samuel Eto'o, a 17-year-old midfielder for Cameroon. (AP)

### Cup Starts, Trading Stops

Brazil's stock exchange will close whenever the national soccer team plays in France, the Sao Paulo Stock Exchange said Tuesday.

The first trading halt will be Wednesday from noon to 14:30 Brazilian time when Brazil and Scotland kick off the 1998 tournament. (AP)



Taribo West, a Nigeria defender, training on Tuesday.

## From Pele and the Streets, Hope

### A Wave of Enthusiasm for the Lingua Franca of Kicking a Ball

By Rob Hughes  
International Herald Tribune

his own net — has been a shadow across soccer ever since.

PARIS — You want to feel the breath of optimism, to feel good about the world and its players? Wednesday in Paris, at the start of a World Cup, must sway with that kind of enthusiasm, for where else might we shelter from a world of atomic bombs and atrocious humanity to man?

When Scotland, a small country, kicks off at the Stade de France against Brazil, the most populous and the best of the leading soccer countries, we should begin to feel the strange but potentially beautiful grip of a simple game that 200 million people of whatever creed or color or religion enjoy playing.

They cannot all be Brazilians. Scotland's professionals cannot play ball the way Brazil does. But there is the first wonder of this sport: Scotland can scare Brazil, it might just hold or even beat the best on earth and that would create a frisson of excitement that even Parisians would find irresistible.

Pele, no less, is concerned about Brazil. The finest player who ever performed is a middle-aged man now but still brimming of childlike enthusiasm for the sport that took him from poverty to acclaim.

"As individuals, no doubt my country has the best players," he said Tuesday. "But I worry for them as a team. Unfortunately they don't have time together, they don't have teamwork. So the first game is very important for psychological reasons. It is supposed to be easy because Scotland plays only defensively, but remember Colombia?"

In 1994, Pele, in company with many, believed Colombia was the hottest team. It had beaten Argentina, 5-1, in Buenos Aires, beaten Brazil, suggesting that its collection of stunning, often maverick players, could take on the world at USA '94.

It failed to beat the host nation in round one. The tragic consequences of that game — Andreas Escobar was shot dead in Medellin because he had the misfortune to score the only goal into

reduced spectacle? Do not even contemplate the thought. The four representatives of the 20th century team remained bonded by an undimmed love of soccer, past and present.

"The levels are much better today," Pele said. "I tell you what excites me about 1998: All the big names are forwards. In 1990, when this decade began, you had Lothar Matthaus, the German midfielder/defender, voted the top player. Now all the young men everyone talks about are attacking players — Raul, Zidane, Batista and Ortega, Bergkamp and Salas."

Hey, Pele, you forget someone? Someone almost as fresh as you were in 1958?

"No, I didn't forget," he laughed. "I save the youngest for the end because they really are the future. You should know I think Ronaldo is the best coming player in this World Cup, and I have also a lot of respect for Michael Owen, the boy from England. His speed really makes me want to play again."

The king of soccer, talking his game. Outside on the Champs-Elysee, you might not know that soccer existed or that France is alive to the global love affair with the round ball. The Parisians have their windows shuttered against the light of an approaching event. But move just a small distance, to the space in the middle of the elegant grassland down the Avenue Charles de Gaulle.

What is this? Scottish fans in their kits, barechested but playing ball. It is a fixation with Scottish youths, and infectious. Parisian youngsters watch, and then edge closer and closer until — voila — they are in the game. It happened, too, in other quarters of this aloof, self-centered city: The Scots, the Brazilians and now even the French practicing the lingua franca of kicking a ball.

To the millionaires we shall see Wednesday night and through June into July, I have a simple request: Please think of Pele and his ilk, think of the street players and just do your best to show your own worth on the big stage.

Rob Hughes is Sports Correspondent of The Times of London.



Masami Ihari, Japan's captain, tackling Daisuke Ichikawa in training.

### CUP: Score One for French Discretion

Continued from Page 1

reputable travel agencies. Rather than trying to belabor a soccer frame of reference, the organizers of Tuesday night's opening celebration in Paris turned to what they said was a message of "togetherness and universality" with four 20-meter-high (60-foot-high) robots — looking more like giant Masters of the Universe plastic toys than swivel-hipped midfielders — converging on the Place de la Concorde and its Obelisk, dressed up with questionable success to resemble the World Cup champion's trophy.

All this relative distance to the event has made warnings from the government and French editorialists about how the country would be disgraced through an Air France strike during the competition into a bit of an over dramatized screech. Although the strike is uncomfortable, it has increasingly been met with irony from the French. Andre Jezequel, writing from Nevers, in the heartland, in Le Journal du Centre, seemed to get the mood right in saying:

"The idea of a beautiful and generous France that was to be sent to the rest of the world has been unceremoniously banished to the bench. So, we're offering the planet a picture of pushers and complainers. At least there's the advantage here that we don't have to strain our talent: we're instant finalists in that category."

It was much the same tone when the newspaper Le Parisien headed for the streets to ask 26 Parisians, including a guard at the Eiffel Tower, the director at the Moulin Rouge, a priest at Notre Dame and a street artist in Montmartre, how they thought the World Cup would turn out. Not one picked France to win. Rather more gently, a few talked of "hoping" or "wanting to see" France get to the finals; others of more business, traffic jams or of a nice blip away from ordinary existence where maybe something interesting would happen.

All reasonable expectations. In a country where the school curriculum teaches the near-inevitable failure of excess, a World Cup of measured proportion at hand.

Pressure

Two French Town

William

PARIS — The

king of soccer, Jim

Leighton, a 33-year-old

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Mario Zagallo

Brazil's 1958

world champion

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A Brazilian

### Where To Watch the

According to the Team of

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## WORLD CUP

## Pressure Builds on Soccer's Kings

Two French Towns Welcome Brazilians, and a Media Frenzy

William Gildea  
Washington Post Service

PARIS — The Brazilians, the reigning kings of soccer, know how to live. Lesigny, a bucolic paradise of about 8,000 people not far from Paris, has become temporary home to about 2,000 rabid Brazilian fans and journalists. Lesigny's old order is in disarray, even though the players live above the clashing nationalities, in the Chateau de la Grande Romaine, a white-walled castle set amid 70 acres (28 hectares) of meadow.

At 4:30 on a breezy afternoon it was quiet. All the Brazilians were in Ozoir-La-Ferriere, where the team trains in the municipal stadium at the end of a narrow street of outdoor cafés, flower boxes, and shops decorated in the Brazilian colors of yellow and green. The street was bumper-to-bumper. Brazilian fans, a trumpeter and a drummer among them, jammed the small stands on the far side of the field, shouting "Dida, Dida," as the reserve goalkeeper walked out for practice.

The shaven-headed Ronaldo and all the other yellow shirts followed and began loosening up at midfield. They put joy into it. Each had a soccer ball which he bounced with head or foot during stretching exercises.

Mario Zagallo, a great left wing on Brazil's 1958 and 1962 World Cup championship teams alongside Pele, walked out last: the 66-year-old white-haired Zagallo, coach of Brazil's fabulous 1970 champions and second in command of the 1994 championship team, looked now like everyone's grandfather.

A Brazilian businessman who spoke

English suggested that the French pastoral setting could eventually drive the players crazy, city boys that they are. But that wasn't the source of the stress yet.

Most of the players carry enlarged egos — Brazilians call them "vanities." Zagallo must be the peacemaker. On Friday, they interrupted their schedule because Nike, one of the team sponsors, wanted them to dedicate a soccer park in Paris; their bus sat in rush-hour traffic for an hour. Dunga declared that he was ready to go home — to Brazil, not to Lesigny.

A Brazilian newspaper described the team as "a flock of sheep" — when let loose in the field, each one wanders his own way. That is another cause of pressure. Each player wants to play it his way, and back home the fans want to see a team with flair and excitement.

They are not satisfied by Brazil being favored to repeat as champion, beginning with Wednesday's tournament opener against Scotland in the new Stade de France in suburban Saint-Denis. Brazilians want their team to play and win like Brazilians. They want them to entertain to the samba beat, play what they call "the beautiful game."

They want the players to abandon the conservatism of four years ago, when the team under Carlos Alberto Parreira preferred a defensive strategy. Win with creativity. The way Pele used to play would be just fine.

What Zagallo said last week worries Brazilians: "I would rather win playing ugly football than lose playing attractive football. Efficiency in football is based on victories. Everyone wants to win and I'm no different." A Brazilian journalist

wrote that Zagallo, who has been involved in all four of Brazil's World Cup victories, was "losing his mind."

Brazilian photographers aimed cameras at the field of all-stars; reporters scribbled notes. There were 500 media people in all. A Brazilian television station covered the easy practice session live; the announcer, up in the top row of seats, sounded as if he were doing play-by-play of the championship game.

Bebeto and Dunga, both 34, and Alair and the goalkeeper Claudio Taffarel, both 32, are the senior citizens of the team.

Bebeto won American hearts when he "rocked the cradle" after scoring a goal in 1994. His wife had just given birth, and after he put the ball into the net he turned sharply, stopped and mimicked rocking a baby. Ever since, Bebeto had said he would make another World Cup team, but few believed him. While he walked off Brazil's national team in 1991 and has had his share of pouts, Bebeto is one of the more sensible Brazilian players. With Romario out, Zagallo's choice to team with Ronaldo up front, at least for now, is Bebeto.

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## Where To Watch the World Cup on Television

According to the Television Radio Service the following countries and broadcasters will be televising, with the exception of the United States, the World Cup live. Please consult local listings for the time and day of the telecast.

**EUROPE**

Austria: ORF  
Belgium: BRT/NARTBF  
Bosnia: NTV  
Croatia: HTV  
Czech Republic: CZCT  
Denmark: DKDR  
Estonia: ETV  
Finland: YLE  
France: TF1/TF2/TF3/Canal+  
Germany: ARD/DSF  
Greece: ERT/ERT3  
Hungary: M1TV  
Ireland: RTE  
Italy: RAI  
Lithuania: LRT  
Liechtenstein: LSF  
Luxembourg: LSF  
Macau: MACTV  
Monaco: TMC  
Norway: NRK  
Poland: TVP  
Portugal: RTP

Romania: TVR  
Russia: DRT/RTV  
Slovenia: STV  
Sweden: SVT/RSB  
Switzerland: SRG  
Turkey: TRT  
United Kingdom: BBC/TV  
Yugoslavia: RTV  
Europe: Eurosport will broadcast matches in Europe

**ASIA/OCEANIA**

Australia: SBS  
China: CCTV  
Hong Kong: ABU/TV/TVB  
Indonesia: ANTV/RCTV/SCTV/TVRI  
Iran: IRIB  
Japan: NHK  
Korea: KBS/KBS2/KBS3  
Tunisia: CTS

**MIDDLE EAST**

Egypt: ERT  
Israel: Channel 1  
Jordan: ART  
Kuwait: Kuwait TV  
Lebanon: LBC/Canal+  
Saudi Arabia: CTV  
United Arab Emirates: UAE TV

United Arab Emirates: UAE TV

**U.S./CANADA**

Canada: Channel 475M  
U.S.: ABC/ESPN/Invision

WORLD CUP SCHEDULE OF MATCHES							
GROUP A	GROUP B	GROUP C	GROUP D	GROUP E	GROUP F	GROUP G	GROUP H
Brazil Scotland Morocco Norway	Italy Chile Cameroon Austria	France South Africa Saudi Arabia Denmark	Spain Nigeria Paraguay Bulgaria	Holland Belgium South Korea Mexico	Germany U.S. Yugoslavia Iran	Romania Colombia England Tunisia	Argentina Japan Jamaica Croatia
10 June Brazil vs. Scotland, St. Denis, 4:30 P.M.	10 June Brazil vs. Scotland, St. Denis, 4:30 P.M.	10 June France vs. South Africa, St. Denis, 8 P.M.	10 June Spain vs. Bulgaria, Lens, 8 P.M.	24 June Spain vs. Bulgaria, Lens, 8 P.M.	24 June Argentina vs. Jamaica, Paris, 3:30 P.M.	21 June Argentina vs. Japan, Toulouse, 12:30 P.M.	21 June Japan vs. Croatia, Nantes, 12:30 P.M.
16 June Scotland vs. Norway, Bordeaux, 4:30 P.M.	16 June Scotland vs. Norway, Bordeaux, 4:30 P.M.	16 June France vs. Saudi Arabia, Nantes, 8 P.M.	16 June Nigeria vs. Paraguay, Toulouse, 8 P.M.	20 June Holland vs. Mexico, Lyon, 4:30 P.M.	20 June Holland vs. Mexico, Lyon, 4:30 P.M.	26 June Argentina vs. Croatia, Nantes, 3 P.M.	26 June Argentina vs. Croatia, Nantes, 3 P.M.
23 June Morocco vs. Norway, St. Etienne, 8 P.M.	23 June Morocco vs. Norway, St. Etienne, 8 P.M.	23 June Saudi Arabia vs. Denmark, St. Etienne, 8 P.M.	23 June Saudi Arabia vs. Denmark, St. Etienne, 8 P.M.	25 June Holland vs. Mexico, St. Etienne, 3 P.M.	25 June Holland vs. Mexico, St. Etienne, 3 P.M.	26 June Holland vs. South Korea, Paris, 3 P.M.	26 June Holland vs. South Korea, Paris, 3 P.M.
11 June Italy vs. Chile, Bordeaux, 4:30 P.M.	11 June Italy vs. Chile, Bordeaux, 4:30 P.M.	11 June Italy vs. Chile, Bordeaux, 4:30 P.M.	11 June Italy vs. Chile, Bordeaux, 4:30 P.M.	14 June Germany vs. Iran, St. Etienne, 3:30 P.M.	14 June Germany vs. Iran, St. Etienne, 3:30 P.M.	29 June Argentina vs. South Korea, Paris, 8 P.M.	29 June Argentina vs. South Korea, Paris, 8 P.M.
17 June Cameroon vs. Austria, Toulouse, 8 P.M.	17 June Cameroon vs. Austria, Toulouse, 8 P.M.	17 June Cameroon vs. Austria, Toulouse, 8 P.M.	17 June Cameroon vs. Austria, Toulouse, 8 P.M.	21 June Germany vs. Yugoslavia, Lens, 12:30 P.M.	21 June Germany vs. Yugoslavia, Lens, 12:30 P.M.	30 June Argentina vs. Yugoslavia, Lens, 8 P.M.	30 June Argentina vs. Yugoslavia, Lens, 8 P.M.
23 June Italy vs. Austria, St. Denis, 3 P.M.	23 June Italy vs. Austria, St. Denis, 3 P.M.	23 June Italy vs. Austria, St. Denis, 3 P.M.	23 June Italy vs. Austria, St. Denis, 3 P.M.	25 June Germany vs. Iran, Montpellier, 8 P.M.	25 June Germany vs. Iran, Montpellier, 8 P.M.	3 July Argentina vs. Yugoslavia, Lens, 8 P.M.	3 July Argentina vs. Yugoslavia, Lens, 8 P.M.
12 June Saudi Arabia vs. Denmark, Lens, 4:30 P.M.	12 June Saudi Arabia vs. Denmark, Lens, 4:30 P.M.	12 June Saudi Arabia vs. Denmark, Lens, 4:30 P.M.	12 June Saudi Arabia vs. Denmark, Lens, 4:30 P.M.	15 June England vs. Tunisia, Marseille, 1:30 P.M.	15 June England vs. Tunisia, Marseille, 1:30 P.M.	4 July Argentina vs. Yugoslavia, Lens, 3:30 P.M.	4 July Argentina vs. Yugoslavia, Lens, 3:30 P.M.
18 June France vs. Saudi Arabia, St. Denis, 8 P.M.	18 June France vs. Saudi Arabia, St. Denis, 8 P.M.	18 June France vs. Saudi Arabia, St. Denis, 8 P.M.	18 June France vs. Saudi Arabia, St. Denis, 8 P.M.	22 June England vs. Denmark, Lyon, 3 P.M.	22 June England vs. Denmark, Lyon, 3 P.M.	7 July Argentina vs. Croatia, Marseilles, 8 P.M.	7 July Argentina vs. Croatia, Marseilles, 8 P.M.
24 June France vs. Denmark, Lyon, 3 P.M.	24 June France vs. Denmark, Lyon, 3 P.M.	24 June France vs. Denmark, Lyon, 3 P.M.	24 June France vs. Denmark, Lyon, 3 P.M.	26 June Colombia vs. England, Lens, 8 P.M.	26 June Colombia vs. England, Lens, 8 P.M.	8 July Argentina vs. England, Lens, 8 P.M.	8 July Argentina vs. England, Lens, 8 P.M.
12 June Paraguay vs. Bulgaria, Montpellier, 1:30 P.M.	12 June Paraguay vs. Bulgaria, Montpellier, 1:30 P.M.	12 June Paraguay vs. Bulgaria, Montpellier, 1:30 P.M.	12 June Paraguay vs. Bulgaria, Montpellier, 1:30 P.M.	14 June Jamaica vs. Croatia, Lens, 8 P.M.	14 June Jamaica vs. Croatia, Lens, 8 P.M.	11 July Argentina vs. Paraguay, St. Etienne, 8 P.M.	11 July Argentina vs. Paraguay, St. Etienne, 8 P.M.
13 June Spain vs. Nigeria, Nantes, 1:30 P.M.	13 June Spain vs. Nigeria, Nantes, 1:30 P.M.	13 June Spain vs. Nigeria, Nantes, 1:30 P.M.	13 June Spain vs. Nigeria, Nantes, 1:30 P.M.	20 June Spain vs. Paraguay, St. Etienne, 8 P.M.	20 June Spain vs. Paraguay, St. Etienne, 8 P.M.	12 July Argentina vs. Paraguay, St. Etienne, 8 P.M.	12 July Argentina vs. Paraguay, St. Etienne, 8 P.M.
19 June Nigeria vs. Paraguay, Lens, 8 P.M.	19 June Nigeria vs. Paraguay, Lens, 8 P.M.	19 June Nigeria vs. Paraguay, Lens, 8 P.M.	19 June Nigeria vs. Paraguay, Lens, 8 P.M.	21 June Argentina vs. Japan, Toulouse, 12:30 P.M.	21 June Argentina vs. Japan, Toulouse, 12:30 P.M.	12 July Argentina vs. Paraguay, St. Etienne, 8 P.M.	12 July Argentina vs. Paraguay, St. Etienne, 8 P.M.
26 June Spain vs. Paraguay, Toulouse, 8 P.M.	26 June Spain vs. Paraguay, Toulouse, 8 P.M.	26 June Spain vs. Paraguay, Toulouse, 8 P.M.	26 June Spain vs. Paraguay, Toulouse, 8 P.M.	26 June Argentina vs. Japan, Toulouse, 12:30 P.M.	26 June Argentina vs. Japan, Toulouse, 12:30 P.M.	12 July Argentina vs. Paraguay, St. Etienne, 8 P.M.	12 July Argentina vs. Paraguay, St. Etienne, 8 P.M.

## Wednesday's Matches

International Herald Tribune

Brazil vs. Scotland, Stade de France, 5:30 P.M. The defending champion kicks off the tournament against a familiar opponent.

Scotland was one of the original powers in soccer. It played the first international, against England, 126 years ago, but it has never advanced past the group stage of the World Cup and will start as the underdog.

Scotland has been thwarted three times by Brazil in the World Cup, in 1974 in Germany, the teams drew 0-0 but Brazil advanced on goal difference. In 1982, in Spain, David Narey gave Scotland the lead, but Brazil won, 4-1. Scotland was pushed out of second place in the group on goal difference by Russia. In 1990, in Italy, Brazil won, 1-0. That, combined with a loss to Costa Rica, eliminated Scotland. Indeed, the Scots often play well against powerful opponents only to fall against weaker teams.

Brazil has lost Romario.

Bebeto, a World Cup winner four years ago, will come in as Ronaldo's attacking partner.

Scotland will counter with organization and effort, marshaled by Colin Hendry, a redoubtable defender. Kevin Gallacher, a speedy striker will probe for weaknesses in Brazil's defense.

Morocco vs. Norway, Montpellier, 9 P.M. Two dark horses meet in the deep south of France. Norway overpowered its qualifying group, as it did in 1994 before collapsing when it arrived in the United States. Half the current squad was there four years ago and may have learned from the experience.

Tore Andre Flo will lead the attack while his cousin Havard Flo will play in midfield but the third Flo, Tore Andre's brother Jostein, is unlikely to start.

Morocco is the underdog, as it was in 1986 in Mexico, when it topped its group to become the first African team to advance beyond the first round.

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## OBSERVER

## A Merciful End

By Russell Baker

NEW YORK — Here's how to plea-bargain us all out of the whole ordeal:

1. President Bill Clinton concedes that he had consensual sexual relations with Monica Lewinsky, as intimated by her former lawyer, William Ginsburg, and resigns.

2. Vice President Al Gore becomes president.

3. Prosecutor Kenneth Starr agrees not to seek a 15-year prison term for Clinton for lying about his activities with Lewinsky. In a statement to the court, Starr will concede that a gentleman must inevitably lie about such matters, but prove that the president of the United States has a constitutional duty not to be a gentleman.

4. Starr will also be permitted to send a stern note home to Hillary Clinton about her husband's behavior, but only if he can compose such a note for less than \$45 million.

5. Simultaneously with the president's resignation, Starr will submit a written apology to the public for pretending that he was not "out to get Bill Clinton."

6. This apology will not include, as Clinton's lawyers demanded, an admission that Starr's unctuous behavior grievously misled the public about his personality since, when fooling around after hours, Starr often abandoned his sanctimonious style and told politically incorrect and raucous, if not bawdy, jokes.

□

7. The public will be asked to contribute to a so-called South Seas Fund, the purpose of which will be to finance construction, on an atoll south of Tahiti, of a \$10 million house with sauna and swimming pool. This will be presented

ted to Paula Jones as a gift from the nation, with the understanding that if she returns to America a special prosecutor will be appointed with power to find legal justification for putting her in jail.

8. Linda Tripp will be restored to the White House job she held before Clinton people transferred her to the Pentagon. Concurrently with said transfer, she will be provided with a food-taster to accompany her whenever she dines in the White House mess.

□

9. Hillary Clinton will appear on NBC's "Today" show to say she was completely wrong when she said her husband was the victim of "a vast right-wing conspiracy" to destroy him.

10. On the evening after Mrs. Clinton's breakfast show appearance, Starr will appear on David Letterman's show and, if asked, will state his belief that the mysteriously missing Rose Law Firm documents, which Mrs. Clinton couldn't find in Arkansas, turned up — amazingly enough — in the White House parlor only because they were transported there from Arkansas by an evil spirit.

11. Should Letterman roll on the floor laughing, or offer Starr a bargain on the Brooklyn Bridge, Starr agrees, nevertheless, to maintain an expression of sober and sincere credibility until Letterman's next commercial break.

12. All parties agree to sign a declaration of repentance for encumbering the public with squalor, vulgarity and 11th-rate politics and for insisting that their show was not totally inconsequential to the destiny of the republic.

13. Lewinsky agrees never to be heard of again.

New York Times Service

By Todd S. Purdum  
New York Times Service

LOS ANGELES — To stand in the scarred forecourt of Grauman's Egyptian Theater is to sense for a moment how it was when Hollywood began. This is where flashbulbs first popped and fans first turned out for that quintessential Hollywood invention, the celebrity-studded gala premiere.

And from 1922, when it opened with "Robin Hood," starring Douglas Fairbanks at \$1.50 a ticket, to 1968, when Barbra Streisand burst onto the screen in "Funny Girl," the Egyptian, like its better-known neighbor down Hollywood Boulevard, the Chinese, was host to the biggest and the best in the business, from "Ben Hur" to "My Fair Lady."

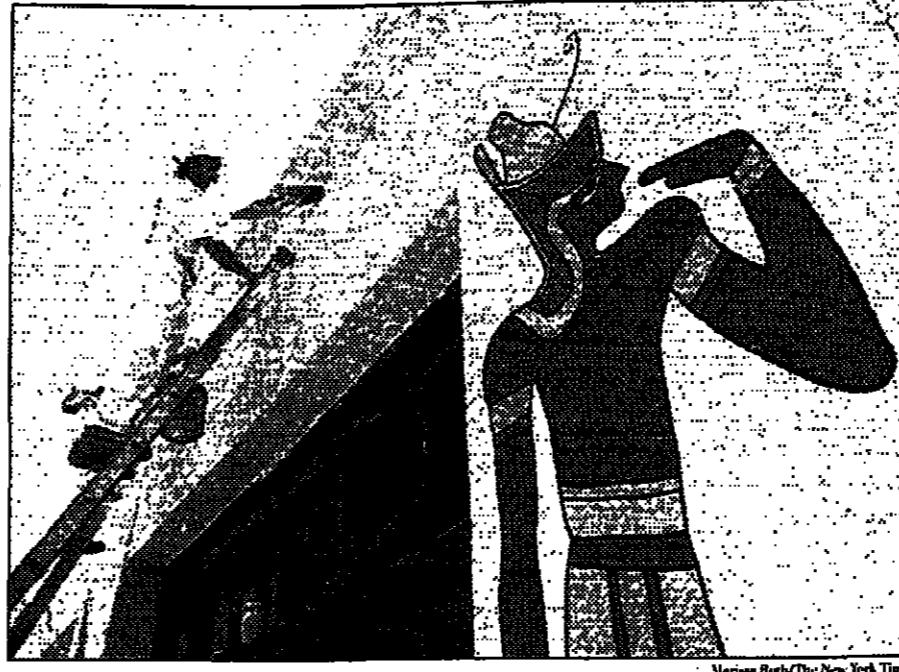
But by 1992, the once-bustling boulevard had devolved into a dark and undesirable strip of tourist traps, troublemakers and transients, and the Egyptian, by then badly faded, closed its doors. Its cavernous auditorium became an encampment of homeless squatters, who were evicted by the city just before the 1994 Northridge earthquake knocked 20- by-40-foot holes in its hollow clay walls. The wrecking ball threatened.

But now, Hollywood Boulevard is staggering toward a comeback, ready for another close-up as hot new restaurants dot the area and the Academy of Motion Picture Arts and Sciences makes plans for a 3,300-seat theater and retail complex from which the Oscars ceremony will be broadcast. And the Egyptian, with the phoenix motifs sprinkled throughout its still grand skeleton, is rising from the ashes as well.

The theater is to be the new home of the Egyptian, a film preservation group that plans to use it for screenings of classic movies, beginning in December with a grand "re-premiere" of Cecil B. DeMille's 1923 silent version of "The Ten Commandments," which opened at the Egyptian 75 years ago.

And preservationists here hope that the Egyptian's rise can be a catalyst for renewed attention to other forgotten movie palaces from the film industry and a city "that's really famous for the disregard of its own past," as Curtis Hanson, the director of "L.A. Confidential," puts it.

Though downtown Los Angeles is home to a baker's dozen of surviving movie palaces of the 1920s, all but three are shuttered or being used as churches, flea markets and in



A Pharaonic image oversees some restorative painting at Grauman's Egyptian.

one case a nightclub. In Hollywood, more of the glitter has been preserved. The well-worn Chinese remains not only a huge tourist attraction, with its forecourt of stars' footprints in concrete, but also a real first-run theater, packing in crowds for blockbusters like "Titanic." Just across the street, the venerable El Capitan was lovingly renovated by the Walt Disney Co. as a showcase for its animated spectaculars.

But in general, this fertile crescent of world filmdom has been strikingly oblivious to the jewels in its midst as the city's elite moved steadily west toward the beach and left the downtown theaters to Spanish-dubbed movies and Hollywood to teenage gangs. That is partly because Hollywood itself has always been about the latest trends, and except for perpetual remakes of its old standbys, its idea of history amounts to last year's grosses.

"It's very interesting to me that overall, the entertainment industry is very unaware that these great treasures exist in the city they live in," said Linda Dishman, executive director of the Los Angeles Conservancy, which sponsors an annual monthlong series of vintage films in downtown theaters. This year's series began on June 3 at the Orpheum Theater, still a functioning first-run movie

house downtown, with a live stage show and a screening of Fred Astaire and Ginger Rogers in "Top Hat."

But Dishman and others see the Egyptian as a revival as an icon of what is possible, although only a first step, and the Cine-

maque is a fitting sponsor.

"The cinemateque is our industry's Getty Museum," said Steve Tisch, the producer of "Forrest Gump" and a co-chairman of cinemateque's capital campaign for the Egyptian. "The organization, founded in 1984, has never had a permanent home, and it obtained the Egyptian for \$1 from the city's Community Redevelopment Agency, which had acquired it from its last commercial owner."

As designed 76 years ago by the firm of Meyer & Holler, it was originally planned in Moorish style, as the red tile roof attests. But during construction, archaeologists discovered Tutankhamen's tomb in Egypt.

Grauman, who had already made a splash with his ornate Million Dollar Theater in downtown Los Angeles and would open his namesake Chinese in 1927, switched course to accommodate the latest cultural fad. An actor dressed as a bearded Bedouin and carrying a spear marched back and forth across the parapet, announcing the next show.

Seed money for the restoration came from \$3 million in earthquake insurance and a \$2 million interest-free loan from the Federal Department of Housing and Urban Development. The cinemateque has been raising the rest of roughly \$10 million in costs through a private campaign.

These days, the forecourt, with its ochre walls painted to look like giant stone blocks, is littered not only with the rubble of bygone days, but also with construction debris. Newly painted profiles of Isis and Osiris and reliefs of the pharaohs echo the original exterior decoration, and a restaurant with a sidewalk cafe is planned. Inside, an elaborate sunburst design on the ceiling is being painstakingly restored.

The renovation has been complicated by earlier remodelings that destroyed much of the Egyptian's original splendor. In the 1940s and '50s, under the management of the showman Michael Todd, the theater entrance was moved forward into the forecourt, creating a glassed-in lobby but destroying a row of four giant stucco columns that supported a portico with the feel of a Tibetan temple.

In preparation for the "Funny Girl" premiere in 1968, the massive proscenium arch, with ornate columns and hieroglyphs, was destroyed to install a huge curved screen. The building "had been so contaminated there was hardly anything here," said Craig Hodgetts, a partner in the architectural firm of Hodgetts & Fung, who is overseeing the restoration. "And it was very clear that the way the theater was set up was inappropriate and inhospitable to modern acoustics and surround sound."

The solution: build a jewel box within the shell of the original. After entering the theater's husk, with its massive fake-stone walls, moviegoers will be surrounded by 100-by-40-foot acoustic plywood panels that will slide into place, enclosing a 650-seat auditorium when the lights go down.

As new steel girders jut up inside the shell and scaffolding rises to the ceiling, it is easy to imagine the splendors to come.

Workers discovered, for example, the original box office windows, which had been covered over in the lobby at one point, and a beautiful original painted ceiling in the men's room that had been hidden by a false ceiling.

As Christy McAvoy, a principal in the Historic Resources Group, the project's historic architect, said, "Every day now brings the building more back to life."



The World's Daily Newspaper  
Greenspan S  
Is in a 'Virtue'

Tumbling Asian Shares

	Percentage of change in stock market index on Wednesday, June 10, 1998
Thailand	-4.5%
Hong Kong	-4.5%
Singapore	-4.5%
S. Korea	-4.5%
Malaysia	-4.5%
Taiwan	-4.5%
Japan	-4.5%
Australia	-4.5%
Indonesia	-4.5%
Philippines	-4.5%

Source: Bloomberg

Asian Stocks  
Recoil on Fear  
Of Contagion  
From the Yen

By Philip Shrivell  
International Herald Tribune

HONG KONG — Share prices fell steeply yesterday as investors, fearing that the Japanese yen's recent strength could spread to other markets, sold off stocks.

Every major stock market — many of them in Asia — fell yesterday, as the fear of a renewed bout of currency devaluation spread to a wider range of countries.

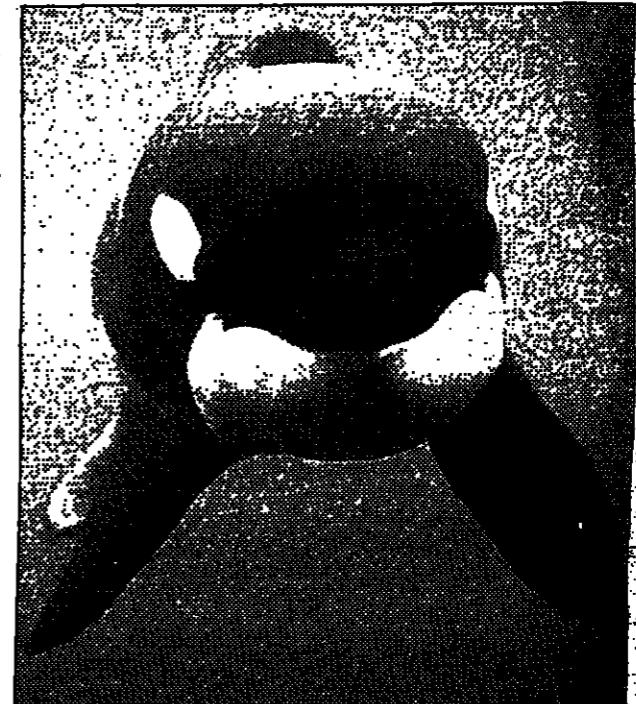
The U.S. dollar, which had been in the ascendant in New York, up from 140 to 144, was trading at 141.50. European markets, though more modest, also fell 1 percent.

The market nervousness, by the governor of the Central Bank, Dai Xianglong, that "the depreciation of the yen is having a very negative impact on China's imports and the utilization of foreign capital."

Although he predicted 5 percent annual growth in 1998, the central bank's forecast was based on a 140 yen, stock and currency market, which China may still be doing more in concert with the U.S. to support the yen.

"China has done its part," said Bao Yihua, managing director of Imasco Asia Ltd., "So it's natural that China's market is falling."

See ASIA, Page 18



Keiko may be bound for yet another pen, in Iceland.

## PEOPLE

ALCOHOL, cocaine and a prescription anti-depressant were in Brynn Hartman's system when she shot and killed her husband, the comedian Phil Hartman, and then committed suicide. Hartman, the 49-year-old star of television's "NewsRadio" and a former cast member of "Saturday Night Live," had not consumed any illegal drugs, toxicology results showed. He had taken an over-the-counter cold medicine. The reports showed that Brynn Hartman, 40, had a blood-alcohol level of 12 percent, well above the .08 percent legal limit for California drivers. The alcohol and the drugs amplified each other's effects, the authorities said. The bodies of the Hartmans were found May 28 in their suburban Los Angeles home. The police said Mrs. Hartman had shot her sleeping husband several times before shooting herself hours later.

□

Israel's transsexual singing sensation, Dana International, turned down an offer to join the Spice Girls to replace Geri Halliwell, the Ma'ariv newspaper in Jerusalem reported Tuesday. Dana International, the winner of this year's Eurovision song contest, received the invitation through her record company, Sony, the singer's manager, Ofer Nissim, told the newspaper. Sony also has a marketing contract with the Spice Girls, who record for Virgin Records. "We received the offer a few days after Geri Halliwell announced her decision to quit the group," Nissim said. "But for now Dana does not want to quit it. We think she has great career possibilities in Europe and

don't see any reason to embark on such a change by joining a group, even one as successful as the Spice Girls."

□

The Rolling Stones have been widely criticized in Britain after calling off the British leg of their world tour because of a new tax law. The veteran rockers said they stood to lose £12 million (\$19.6 million) in taxes by going ahead with four British concerts in August. "If we did the U.K. shows it would have meant the entire European tour ran at a loss and we just couldn't do that. It would have been foolish," said Mick Jagger. "No sympathy for Jumping Jack Flash" said the tabloid Mirror newspaper. The Stones announced Tuesday that they were going to play in Moscow for the first time.

□

Richard Gaddes has been chosen by the board of directors of the Santa Fe Opera to succeed John Crosby as general director effective Sept. 30, 2000. Gaddes, who served as the company's artistic administrator for a decade beginning in 1969 and was a founder of the Opera Theater of St. Louis in 1976, has been associate general director of the Santa Fe Opera since 1995. Crosby, who founded the Santa Fe Opera in 1957, will continue to conduct for the company.

□

Queen Elizabeth II joined celebrities for a gala show celebrating the 30-year career of the producer behind such

megahits as "Cats," "Phantom of the Opera" and "Les Miserables." Accompanied by her husband, Prince Philip, the queen was entertained by extracts from shows produced in London's West End theater district by Sir Cameron Mackintosh that went on to conquer the globe, making him one of Britain's most successful theatrical producers. The star-studded cast of "Hey Mr. Producer!" performing for the queen included Julie Andrews, Judi Dench and Elaine Page, who has starred in several musicals.

□

Iceland is expected to become the new home for Keiko, the whale star of the movie "Free Willy" who is now in a pen at an aquarium in Newport, Oregon. A delegation from the Free Willy Keiko Foundation was to meet with Prime Minister David Oddsson, who appeared ready to offer his country as the site for the floating sea pen that would serve as a halfway house before the whale is returned to the open sea. The foundation had also scouted out Scotland and Ireland, but Iceland is the top choice because that is where the 20-year-old orca was captured at age 2.

□

Tom Hanks will be the recipient of the 14th annual American Museum of the Moving Image Salute next year in New York. Previous recipients include James Stewart, Sidney Poitier, Robert De Niro, Steven Spielberg, Martin Scorsese and Dustin Hoffman.

□



(put on a happy face)

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